

FINANCIAL TIMES

Europe's Business Newspaper

WEDNESDAY DECEMBER 29 1993

D8523A

Ciampi ready to stand down as Italian premier

Italy's prime minister Carlo Azeglio Ciampi said he was ready to leave office, having completed his government's mandate. The 73-year-old former governor of the Bank of Italy also said he would not stand in forthcoming general elections.

Mr Ciampi's comments are in line with promises made in May when he agreed to be Italy's first non-elected premier this century. He said then that his two essential tasks were to obtain approval for an austerity budget for 1994 and to complete the process of electoral reform. Both have been achieved. Mr Ciampi noted that the decision on the dissolution of parliament was out of his hands. Page 10; Gelli holdings seized, Page 2

Euro Disney shares continued to fall. After losing more than 8 per cent of their value on Monday, they shed a further 1.35 to close at FF29.05 in Paris. Market analysts said investors' anxieties about the prospects for a refinancing package for the loss-making group had been compounded by press reports that some banks had tried to sell their outstanding Euro Disney loans at a sharp discount. Cold comfort park, Page 8; World stocks, Page 28

Bulgaria expels Zhirinovskiy. Bulgaria ordered Russian ultra-nationalist leader Vladimir Zhirinovskiy to leave within 24 hours for insulting President Zhelev. He angered Bulgarians with a call on their first democratically-elected president to resign, introducing a Bulgarian friend and adviser as the nation's future leader. Zhirinovskiy party lead confirmed, Page 2

Japan's prime minister sees upturn



Japanese prime minister Morihiro Hosokawa (left) predicted a national economic upturn by next summer and brushed aside the latest rash of gloomy indicators. He was speaking four days after unveiling a six-point economic plan for deregulation and tax reform, widely criticised by business leaders as lacking substance. Page 3; Crackdown on pay-offs, Page 3; Editorial Comment, Page 9

Vauxhall, UK subsidiary of General Motors, has suffered a fall in pre-tax profits of about 17 per cent this year but has remained the most profitable carmaker in Britain. Page 11

Mazda, troubled Japanese carmaker, will accept three full-time senior executives from Ford, the US carmaker which is its largest shareholder, in a move to ensure its long-term survival. Page 11

Black Sea fleet offices seized: Armed Ukrainian marines seized two offices of the disputed Black Sea fleet which is shared with Russia. They prevented officers from entering military engineering units in Odessa and Ismail.

A phantom ERM: The European Monetary Institute, expected to be set up on January 1 to supervise the move to economic and monetary union, will lead a phantom existence for its first six months. Page 10; Editorial Comment, Page 9

Swaps legal fight: A London court is to "vigorously contest" a legal action brought against it by Credit Commercial de France, one of France's biggest banks, which is trying to recover losses from interest rate swap agreements. Page 4

Seoul railway talks: South Korea said it would extend talks for its \$2.4bn high-speed railway project and has asked a German consortium, which appeared to have lost the battle for the contract, to maintain its offer. Page 3

Wellcome Trust, medical research charity, will retain its near 40 per cent in the Wellcome pharmaceutical group for the time being. The news could lift one of the clouds which has overhung the drug company's shares. Page 11

America West Airlines bids New York money manager, Michael Steinhardt, has offered to pay \$250m to gain control of America West Airlines, the struggling carrier which has been in Chapter 11 bankruptcy for the past two and a half years. Page 11

Russian share auctions: Russia opened an auction for shares in its biggest oil company, allowing people to snap privatisation vouchers for a stake in oil producer Surgutneftegaz. Page 2

Iranian fun park: Tehran has launched a \$77m project to build an amusement park, sports complex and cultural centre at the site of a red-light district razed in 1988. Iranian television reported.

STOCK MARKET INDICES

| Index | Value | % Change |
|----------------------|-----------|----------|
| FT-SE 100 (241.1) | 3412.3 | +15.5 |
| Yield | 3.45 | |
| FT-SE Euro Stoxx 100 | 1458.40 | +3.18 |
| FT-4 All Share | 1877.81 | +0.44 |
| Nikkei | 17,131.21 | +311.33 |
| Dow Jones Ind Ave | 3782.85 | +0.23 |
| S&P Composite | 470.80 | +0.25 |

US LUNCHTIME RATES

| Rate | Value | % Change |
|-----------------|-------|----------|
| 3-mo Treas Bill | 3.11% | |
| Long Bond | 10.01 | -0.24 |
| Yield | 8.24 | |

LONDON MONEY (24/12)

| Rate | Value | % Change |
|-------------|-------|----------|
| 3-mo Libor | 5.74 | +0.01 |
| 6-mo Libor | 5.74 | +0.01 |
| 12-mo Libor | 5.74 | +0.01 |

NORTH SEA OIL (Argus)

| Oil Type | Value | % Change |
|--------------|----------|----------|
| Brent 15 day | \$-12.54 | |

Gold

| Gold Price | Value | % Change |
|--------------------|----------|----------|
| New York Comex Dec | \$387.4 | +0.5 |
| London (24/12) | \$386.75 | +0.5 |

Other

| Commodity | Value | % Change |
|-----------|---------|----------|
| WTI Oil | \$22.00 | +0.25 |
| WTI Oil | \$22.00 | +0.25 |

Other

| Commodity | Value | % Change |
|-----------|---------|----------|
| WTI Oil | \$22.00 | +0.25 |
| WTI Oil | \$22.00 | +0.25 |

Other

| Commodity | Value | % Change |
|-----------|---------|----------|
| WTI Oil | \$22.00 | +0.25 |
| WTI Oil | \$22.00 | +0.25 |

Other

| Commodity | Value | % Change |
|-----------|---------|----------|
| WTI Oil | \$22.00 | +0.25 |
| WTI Oil | \$22.00 | +0.25 |

Other

| Commodity | Value | % Change |
|-----------|---------|----------|
| WTI Oil | \$22.00 | +0.25 |
| WTI Oil | \$22.00 | +0.25 |

Other

| Commodity | Value | % Change |
|-----------|---------|----------|
| WTI Oil | \$22.00 | +0.25 |
| WTI Oil | \$22.00 | +0.25 |

Other

| Commodity | Value | % Change |
|-----------|---------|----------|
| WTI Oil | \$22.00 | +0.25 |
| WTI Oil | \$22.00 | +0.25 |

Other

| Commodity | Value | % Change |
|-----------|---------|----------|
| WTI Oil | \$22.00 | +0.25 |
| WTI Oil | \$22.00 | +0.25 |

Other

| Commodity | Value | % Change |
|-----------|---------|----------|
| WTI Oil | \$22.00 | +0.25 |
| WTI Oil | \$22.00 | +0.25 |

Bank of Spain dismisses bank board after detecting equity deficit

Banesto on brink of collapse

By Peter Bruce in Madrid

The Bank of Spain yesterday dismissed the entire board of Banco Español de Crédito, the country's fourth largest bank, threatening the biggest banking failure in Spanish history and the possible break-up of Banesto and its large industrial empire among the rest of Spain's large banks.

The central bank acted after market rumours of Banesto's imminent collapse sent its stock into free fall yesterday morning and started a run on deposits in Madrid. Trading in the stock was suspended at midday, having fallen about 7 per cent to Ptas135.

Mr Alfredo Sáez, deputy chairman of Banco Bilbao Vizcaya,

was named by the Bank of Spain as Banesto's new chairman in place of Mr Mario Conde, the outgoing former industrialist who took charge of Banesto in late 1987 and has tried and finally failed to persuade banking authorities that Banesto, the most vulnerable of Spain's large banks, could survive on its own.

Mr Sáez and four other directors - one each from Banco Central Hispano, Banco Santander, Argentaria, the state-owned banking group, and Banco Popular - immediately took charge of Banesto late yesterday afternoon. The collapse of Banesto and the removal of Mr Conde will be a particularly bitter blow to J.P. Morgan, the US investment bank

and its deputy chairman, Mr Roberto Mendoza, who was recently named to the now-dismissed Banesto board. Banesto was the first investment of the \$1bn Corsair banking fund created by J.P. Morgan. Corsair owns nearly 9 per cent of Banesto.

J.P. Morgan has also acted as an adviser this year to Banesto during the raising of nearly \$1bn in new capital. Mr Alfredo Pastor, the deputy economy minister, said a second semester Bank of Spain inspection at Banesto had discovered a much larger equity deficit than anticipated.

The results of this inspection had been studied by Mr Luis Angel Rojo, governor of the Bank of Spain, and senior staff just two

weeks ago and urgent talks had taken place with Banesto about ways to shore up its finances.

Mr Pastor said no decision had been made about Banesto's future. "The intervention today is the end of a long process," he said. An inspection in 1992 had detected gaps in Banesto's finances but the central bank and Mr Conde had agreed upon a timetable to raise new equity and to rebalance the bank's loan portfolio. But, Mr Pastor said, "the situation in 1993 has worsened," despite the fact that Banesto had raised more than \$1bn in fresh capital through share sales and disposals.

Bankers said it had become quite widely known in the last two weeks that the central bank

had been contemplating intervening in Banesto. The run on deposits yesterday had given the bank a legitimate excuse to replace Mr Conde and his board.

In a statement, the central bank said: "Banesto's current situation obliges it to take restructuring measures that cannot be undertaken alone and which require the support of the whole banking system." It said it had moved in order to guarantee the liquidity of Banesto. In both domestic and foreign markets, it had been assumed that the money raised with J.P. Morgan's help this year, plus the proceeds of the sale of a banking subsidiary to Deutsche Bank, had

Continued on Page 10

Consumers and industry set to spur US growth

By George Graham in Washington

US businesses and consumers are getting ready to spend heavily on big investments, raising hopes of strong growth next year.

Government and private sector economists say the recovery looks likely to be sustained well into 1994 as consumers buy cars and houses, while businesses speed up investment in machinery and computer equipment.

The Conference Board reported yesterday that its closely watched index of US consumer confidence rose strongly again this month to 80.2, from a revised 71.9 in November, giving a rise of 20 points in two months.

Only the Pacific and middle Atlantic regions still show lower levels of confidence than a year ago, and both have shown some recovery in optimism in the last two months.

The December survey marked the sixth consecutive month in which consumers' assessment of their situation had improved, although the biggest rise came in future expectations.

Reports from credit card companies show that consumers have been taking their new-found confidence shopping, with MasterCard seeing credit card sales up 34 per cent in the pre-Christmas period this year, and Visa experiencing 32 per cent growth.

Meanwhile, the Commerce Department's sector-by-sector review of US industry predicts a median growth rate of 2.5 per cent in manufacturers' shipments next year.

The rise is led by the sale of 14.8m cars and light trucks, a

solid 6 per cent increase from this year, and by the construction of 1.3m new homes, a 4 per cent gain from 1993. Shipments of household appliances are expected to grow by 3.6 per cent.

Mr Jeffrey Garten, under-secretary of commerce, said the anticipated strength of car sales was "extremely good news not just for the auto industry but for the entire economy".

The fastest growing industrial sectors in the Commerce Department's annual review both benefit from the strong car industry: metal cutting machinery, whose sales are projected to grow by 12.5 per cent, and electronic components, where an 11.1 per cent advance is expected.

The weakest sectors are expected to be defence-related industries such as aircraft parts, navigational equipment and shipbuilding.

In services, the department also predicts a 22.6 per cent rise in space commerce revenues as space launches and satellite communications expand. Data processing, electronic information and general merchandise retailing are also expected to grow by 14 per cent or more.

The healthcare industry is expected to grow by 12.5 per cent, with revenues exceeding \$1,000bn.

In financial services, the Commerce Department predicts a decline in venture capital, and expects savings institutions to lose some of their share of the mortgage market. The banking sector is expected to be profitable for the third consecutive year.

Clinton - Year One, Page 9

Hong Kong stocks strong despite pressure from China

By Louise Lucas in Hong Kong

Hong Kong markets yesterday shook off a statement by China that it no longer agreed to let Hong Kong politicians serve beyond 1997, when Beijing is to assume sovereignty over the British colony.

The stock market's Hang Seng index posted its biggest one-day rise, in terms of points, taking its increase during 1993 beyond 100 per cent.

In a statement on Monday, China said all colonial laws on terms for elected local councillors and legislators would be abolished on July 1 1997, takeover day.

The Legislative Council, the municipal councils and district boards should be disbanded and reorganised under the Basic Law, the territory's post-1997 constitution, the Hong Kong and Macao

Affairs Office in Beijing said. Beijing said it had hoped transitional arrangements could have been made on the basis of the principles of convergence with the Hong Kong Basic Law and through negotiations with the British government.

"It is a pity that no agreement has been reached due to deliberate sabotage by the British side," it said.

The expectation had been that legislators and local councillors would serve their full terms, past the change of sovereignty.

Beijing's statement followed the breakdown in talks over British proposals for an extension of democracy in the colony before 1997.

Mr Chris Patten, the Hong Kong governor, introduced what were called non-controversial elements of the bill on December 15, after 17 largely fruitless rounds

of talks. That set off a renewed attack from China.

However, observers see Beijing as keeping its options open and the statement as China's latest tactical move in its war of words with Britain.

The Hong Kong government said the statement appeared to be in breach of joint commitments to maintain stability and prosperity in the colony.

The Hang Seng index, which was closed on Monday, yesterday rose 330.8 points to close at a record high of 11,570.22. It was the biggest one-day rise recorded on the exchange in point terms. The previous record, on December 16, was a jump of 394.40 points.

Brokers said foreign funds continued to pour into Hong Kong, stimulated by the new highs achieved on Monday on other Asian markets.

FT Actuaries... 28
Foreign Exchange... 10
Gold Markets... 10
Int. Bond Services... 16
Managed Funds... 20-24
Money Markets... 24
Recent Issues... 28
Shares Information... 16-18
Technical Options... 28

Contents

News... 2-3
Features... 4-5
Company... 6-7
Markets... 8-9
Commodities... 10-11
FT Actuaries... 12-13
Foreign Exchange... 14-15
Gold Markets... 16-17
Int. Bond Services... 18-19
Managed Funds... 20-21
Money Markets... 22-23
Recent Issues... 24-25
Shares Information... 26-27
Technical Options... 28-29

Contents

Contents

Contents

Contents

Contents

Contents

Contents

German recession over, says economics minister

By Judy Dempsey in Berlin

Germany's recession is over and the country can look forward to steady and strong recovery next year, Mr Günter Rexrodt, economics minister, said yesterday. "At the end of the year, it is becoming clearer that the German economy has come out of the trough," he said.

Mr Rexrodt, who repeated his call for greater flexibility in working hours, said he expected the economy, which this year will have shrunk by 2 per cent, to grow between 0.5 per cent and 1 per cent in 1994. Those forecasts support recent estimates by the Bundesbank, as well as reports issued yesterday by the IWH institute for economic forecasting at Essen, and the Cologne-based IW institute.

Several of Germany's prominent economic institutes and business groups have warned, however, about continuing high unemployment, low investment and structural obstacles to Germany's competitiveness. The IW, which published its traditional end-of-year poll of industry yesterday, warned that the recovery would not be sustainable if growth was not matched by higher investment and exports and a tighter control on wages.

Only a quarter of the sectors polled expected a rise in production next year, largely due to declining export orders and high labour costs. However, the number of respondents who said they expected a fall in turnover over the coming year - nearly half in last year's survey - has fallen to a third.

No institute or business group foresees any improvement in the labour market. "Hopes of a quick recovery which will noticeably benefit the labour market are premature," said Mr Hans Peter Stahl, head of the German Federation of Chambers of Commerce. The economic institutes predict that unemployment, at present 7.8 per cent of the west German labour force, may rise to between 8.2 and 9.5 per cent next year even if the economy grows.

Tide of gloom starts to ebb, Page 8

See it
feel it
touch it

Of the many things we do, training is one of the most important. Because to benefit from information technology you need to know how to use it. Our whole philosophy stems from this basic principle.

We consult with our clients to find out exactly what they want from their computer systems and recommend the most efficient way to educate users. We may develop a course tailored to specific requirements. Or, perhaps select one of the thousands of public courses we run each year.

Whatever the choice, quality is assured by BS5750 approval and a host of leading software accreditations. Rather than demonstrating how to use technology, we prefer to educate. Our experts adopt a "hands-on" approach supported by specially prepared courseware. All trainees, whether beginners or advanced users, learn while using the latest desktop computers.

So, if you want to realise the potential of your IT system by making your staff feel comfortable with it, talk to P&P.

P&P
making it happen

For more information contact Nick Meehan
Tedd Hall Road, Harrogate, North Yorkshire
LA15 7JH. Tel 01423 217744
Preston Court Business Centre,
11 Wapping Lane, London E1 9QA
Tel 071 488 0800.



NEWS: INTERNATIONAL

Russia sells shares in big oil concern

By Jill Barsbey in Moscow and agencies

Russia yesterday opened an auction for shares in its biggest oil company, allowing people to swap privatisation vouchers for a stake in oil producer Surgutneftegaz.

More than 3.6m shares, with a face value of Rb1,000, are on offer in the nationwide auction. Officials said this represented about 18.25 per cent of the company's capital.

The auction is to close on January 24, and officials said the selling price of shares would be set after the bidding had closed. Demand on the first day was not particularly strong, they said.

Surgutneftegaz produced 42.5m tonnes of oil (850,000 barrels per day) in 1992, more than 10 per cent of total Russian oil output. But production is expected to fall sharply this year.

The privatisation auction had been due to open on December 1 but was postponed after a row between the Russian property committee and the Surgut regional authorities in western Siberia which wanted to restrict sales to the region.

Deputy Prime Minister Anatoly Chubais said yesterday that "the bulk of privatisation has been completed in the past

two years" and that the process was "irreversible".

President Boris Yeltsin has promised to continue a policy of economic reform despite the nationalist victory at the polls. Last week, he authorised the privatisation agency headed by Mr Chubais to designate insolvent enterprises and open bankruptcy proceedings in arbitration courts.

The Russian government has moved to speed up bankruptcies next year as part of its economic reforms.

This is not the first time Mr Yeltsin and others have resolved to push ahead with bankruptcies. But, since Russia's bankruptcy law came into force in March, only one small kitchen-knife factory has filed successfully.

The presidential decree outlines some practical procedures for the bankruptcy law, but does not set deadlines or require published lists of insolvent enterprises. The decree must also be reviewed by the new parliament.

Mr Chubais acknowledged yesterday that Russia's privatised companies had changed little in the way they operated. "It would be very naive to expect that, after the first day of privatisation, a state enterprise would cut its production costs four times and double its profits," he said.

Gelli bank holdings seized by magistrates

By Robert Graham in Rome

The financial activities of Mr Licio Gelli, controversial head of the secret Italian Masonic lodge, P2, have come under the spotlight following the seizure of more than Lit6bn (\$9.6m) worth of bank assets held in his name.

The assets were seized on Monday under a law permitting magistrates to do so if they suspect that a person's wealth stems from illicit operations.

Mr Gelli is the subject of at least three separate criminal investigations. Last year he was sent for trial for alleged links with the Mafia.

He has also been linked to some of the murkier episodes in post-war Italian history including the 1982 collapse of the Banco Ambrosiano and the death of the banker Roberto Calvi. However, he has been able to carry on extensive financial activities over the past decade.

The move against Mr Gelli promises to begin to lift the veil on the little-investigated activities of the Freemason movement in Italy and its suspected connections with organised crime and with the far right and secret services.

Mr Lucio Violante, head of the parliamentary anti-Mafia commission, said yesterday that Mr Gelli until now had clearly benefited from protection from within the establishment. He also called for a thorough investigation into those banks which had agreed to do business with him.

Rome magistrates claim Mr Gelli bought treasury bills and commercial paper from various banks between 1980 and 1982 to the value of Lit6.1bn. In this period his total declared tax income was Lit38m. Mr Gelli has denied any wrongdoing.

Zhirinovskiy party lead in duma confirmed

By Jill Barsbey

Official results of Russia's December 12 general election, published yesterday, confirm the strong showing of nationalist and former Communist parties.

In the lower house of parliament, or state duma, the ultra-nationalist Liberal Democratic party led by Mr Vladimir Zhirinovskiy secured 64 seats, followed by the pro-reform Russia's Choice with 58 seats.

Other results were Communist party (48), Agrarian party (33), Workers' party (32), Yabloko (22), Party of Russian Unity and Concord (19), the Democratic Party of Russia (14), other parties (33) and those with no party affiliation gained 130 seats.

In the federal assembly (upper house), the composition was very different as the election law did not reserve any seats for parties. The overwhelming majority, 143 out of 171, claimed no party affiliation.

Mr Anatoly Lukyanov, a Communist party member on trial for his role in the failed Soviet coup of August 1991, was "almost unanimously" elected chairman of the temporary co-ordination commission of the new parliament.

The party yesterday announced that about 20 representatives of parties had selected Mr Lukyanov, who was elected in the general election, from his register of Soviet-era deputies.

Mr Lukyanov was once chairman of the Soviet congress of people's deputies, the parliament of the Gorbachev era.

He has been released from jail since being accused of high treason but could face the death sentence if convicted in the protracted coup trial.

Roof falls in on Spanish union ambitions

Government has had to step in to save housing empire, writes Peter Bruce

SPAIN'S largest and most belligerent trade union, the socialist General Workers Union (UGT), has been embarrassed by the collapse over Christmas of its housing and financial empire just a month before a general strike it is leading against government reforms of the labour market.

Only the despised government, by making new credits available to the UGT businesses, can keep them going and save the union from both financial catastrophe and the anger of thousands of working class families who have joined its co-operative venture to build new homes, mainly around Madrid.

Ministers and senior officials have been struggling to contain their delight at the discomfort of the UGT's outgoing leader, Mr Nicholas Redondo, who has led calls for the strike.

The government has clearly got Mr Redondo in an awkward position. On the one hand, it is the UGT's barefacedly socialist official said earlier this week: "We make no connection between the strike and the UGT's business troubles."

Two days earlier, the government's official credit institute had agreed to help keep total bankruptcy from the door of the holding company, IGS, with a loan of Pta10bn (\$49m). In return, the UGT has been forced to pledge all its assets - including the Pta10bn property portfolio given to it and other unions after the restoration of Spanish democracy in the late 1970s - as a guarantee.

IGS and its property co-operative, PSV, have gone into receivership after paying off three big creditors with the help of the government loan. But there are many others. Overall IGS owes more than Pta40bn and at the rate IGS losses are running, the government loan, only Pta12bn of which is new money, will not last long.

The affair, though not yet tainted with accusations of corruption, bears a disconcerting resemblance to the collapse of Nene Helmat, the huge housing group mismanaged and finally lost in 1987 by the Deutsche Gesellschaftsbund (DGB), the German union federation.

IGS and PSV were modelled on the DGB's business ambitions. The DGB

was, in fact, an early and short-lived partner in Unial, an insurance company set up by the UGT to try to capture business from members in the early 1980s.

But at the time when Nene Helmat was collapsing around the heads of their German cousins, the UGT leaders, and Mr Redondo in particular, let themselves be persuaded that they should become the motor of a huge housing programme for workers and created IGS and PSV along with a private company. The union would supply home buyers and the private sector partner would secure financing.

In 1988 IGS had plans to build 5,000 homes. That quickly swelled, along with the UGT's sense of its own importance, to 20,000. IGS created a construction and a mortgage company and a travel club for people who paid up to buy homes or deposited money, in the hopes of getting a home, with IGS.

But, as it is thought that between 20,000 and 50,000 people have either begun paying or saving for UGT-provided homes.

Spanish unions have relatively few members but they were given great property-based wealth and factory-floor power after the end of General Franco's dictatorship. The UGT was also very close to the Socialist government of Mr Felipe Gonzalez when it was first elected in 1982 but has become a political opponent in recent years as government economic policies have drifted to the right.

The explosion of speculative ambition at the UGT has a lot to do with the hierarchical structure of the union and the detachment of the union leadership from workplace issues. Union leaders see themselves as big players on the national political scene but their isolation from power recently has forced Mr Redondo especially to seek other ways of political expression.

Providing cheap housing for the masses was one way of showing Spain (or people Mr Gonzalez) what he was capable of. General strikes - a success in December 1988 and a flop in 1992, with plans for a third next month - are another.

But it is all going badly. If the government is to be believed, the strike on January 27 will not alter its determination to loosen the rigid Francoist labour practices that make it crippling expensive to fire workers in Spain.

The failure of IGS is probably the final humiliation circumstance will force upon Mr Redondo, who is retiring in 1994. It was he who first propelled Mr Gonzalez to the leadership of the Socialist party in 1974 while it was still in exile. Now the two men do not speak.

Now, as angry IGS "clients" clamour for their money outside IGS headquarters in Madrid, Mr Gonzalez is sure to be working hard to wrest maximum political benefit from the UGT's financial straits, by securing before January 27 the savings and hopes of the home buyers who put their faith in the UGT.

A government-inspired rescue of IGS will not avert the planned strike but it will likely blur the picture that unions have drawn of him as a waster of public money and a destroyer of dreams.



Team mates: Dave Beck, the US union chief who with Jimmy Hoffa helped build the Teamsters into a powerful union, has died in Seattle at 99. Pictured above right with Hoffa in 1967, Beck was the first Teamsters' leader to fall foul of US corruption laws. He went to jail for income tax evasion and was convicted of embezzlement.

Widespread praise for six-month spell presiding over EU

Belgium bows out to applause

By Lionel Barber in Brussels

As Belgium prepares to hand over the rotating presidency of the European Union to Greece on January 1, the coalition government in Brussels is basking in praise for its six-month stewardship of the EU.

The European Commission said this week that the Belgian presidency had been active and productive, a view generally shared among the permanent delegations in Brussels.

Achievements include a delicate brokering role which helped to conclude the world trade talks under the General Agreement on Tariffs and Trade; a deal on the location of almost a dozen European institutions, including the European Monetary Institute in Frankfurt; a share-out of development funds; and much more.

Personalities count, too. Though occasionally irascible, Mr Willy Claes proved an effective chairman of the general affairs council comprising EU foreign ministers; and Mr Philippe Maystadt showed why he is one of the more respected finance ministers in Europe.

Both benefited from the advice of Ambassador Philippe de Schoutheete de Tervarent, Belgium's long-serving permanent representative to the EU.

It was Mr Claes and Mr de Schoutheete who helped to keep France within the European fold during the Gatt trade talks, taking the sting out of relations between Mr Alain Juppé, the French foreign minister, and Sir Leon Brittan, the chief trade negotiator.

Similarly, both men calmed down European parliamentarians and persuaded them to compromise on a new accord governing the roles of EU institutions post-Maastricht.

Mr Jean-Luc Dehaene, Belgium's pugnacious prime minister, and Mr Claes are also credited with buoying up a moody Mr Jacques Delors before he delivered his white paper on growth and competitiveness to acclaim at the Brussels summit this month.

Criticism of the Belgian presidency focuses on the less-than-smooth running of second-tier EU councils such as environment, agriculture and research. The "green-leaning" Danes, Dutch and Germans were also unhappy about the compromise on waste packaging which they argue will damage the environment.

Like its predecessors, the Belgian presidency proved unable to make real progress in the Bosnian conflict. Talks this week in Brussels identified some points of agreement; but Mr Claes was reduced to describing as "pathetic" Bosnian Serb excuses for not reopening Tuzla airport to allow resumption of humanitarian aid to starving refugees.

1993 exports at \$14.2bn, up slightly from the previous year, and imports of \$11bn, down 10 per cent from 1992. The current account showed a deficit of more than \$1.8bn, against \$3.4bn in 1992.

The public sector deficit was 3.8 per cent of GDP, an improvement on the 5.5 per cent deficit last year.

The central bank estimated 1993 exports at \$14.2bn, up slightly from the previous year, and imports of \$11bn, down 10 per cent from 1992. The current account showed a deficit of more than \$1.8bn, against \$3.4bn in 1992.

The public sector deficit was 3.8 per cent of GDP, an improvement on the 5.5 per cent deficit last year.

The central bank estimated 1993 exports at \$14.2bn, up slightly from the previous year, and imports of \$11bn, down 10 per cent from 1992. The current account showed a deficit of more than \$1.8bn, against \$3.4bn in 1992.

The public sector deficit was 3.8 per cent of GDP, an improvement on the 5.5 per cent deficit last year.

Foreign policy step up for Clinton friend

By Jurick Martin, US Editor, in Washington

Mr Strobe Talbott, the Clinton administration's most prominent Russian expert, was yesterday named deputy secretary of state, replacing Mr Clinton Wharton, who was in effect fired last month.

The 47-year-old former journalist with Time magazine was a Rhodes Scholar at Oxford University and a room-mate of President Bill Clinton, with whom he has retained a close personal relationship.

Mr Talbott is a newcomer to government but, over the last year, he has won the confidence of Mr Warren Christopher, secretary of state, in the specially created portfolio of ambassador-at-large to the former Soviet republics.

He will continue to exercise responsibility in this critical area of US foreign policy, with his current deputy, Mr James Collins, former number two at the Moscow embassy, becoming acting ambassador-at-large.

The elevation suggests that the newly modified US approach to reform in Russia, in Mr Talbott's words, "less shock, more therapy" - will remain in place for the foreseeable future.

Mr Talbott, partly because of his journalistic career and his familiarity with Washington ways, is reckoned good at those aspects of the public presentation of foreign policy in which the often dour Mr Christopher is considered deficient.

Mr Talbott, partly because of his journalistic career and his familiarity with Washington ways, is reckoned good at those aspects of the public presentation of foreign policy in which the often dour Mr Christopher is considered deficient.

Mr Talbott, partly because of his journalistic career and his familiarity with Washington ways, is reckoned good at those aspects of the public presentation of foreign policy in which the often dour Mr Christopher is considered deficient.

Mr Talbott, partly because of his journalistic career and his familiarity with Washington ways, is reckoned good at those aspects of the public presentation of foreign policy in which the often dour Mr Christopher is considered deficient.

Mr Talbott, partly because of his journalistic career and his familiarity with Washington ways, is reckoned good at those aspects of the public presentation of foreign policy in which the often dour Mr Christopher is considered deficient.

Mr Talbott, partly because of his journalistic career and his familiarity with Washington ways, is reckoned good at those aspects of the public presentation of foreign policy in which the often dour Mr Christopher is considered deficient.

Mr Talbott, partly because of his journalistic career and his familiarity with Washington ways, is reckoned good at those aspects of the public presentation of foreign policy in which the often dour Mr Christopher is considered deficient.

Mr Talbott, partly because of his journalistic career and his familiarity with Washington ways, is reckoned good at those aspects of the public presentation of foreign policy in which the often dour Mr Christopher is considered deficient.

Mr Talbott, partly because of his journalistic career and his familiarity with Washington ways, is reckoned good at those aspects of the public presentation of foreign policy in which the often dour Mr Christopher is considered deficient.

Mr Talbott, partly because of his journalistic career and his familiarity with Washington ways, is reckoned good at those aspects of the public presentation of foreign policy in which the often dour Mr Christopher is considered deficient.

Mr Talbott, partly because of his journalistic career and his familiarity with Washington ways, is reckoned good at those aspects of the public presentation of foreign policy in which the often dour Mr Christopher is considered deficient.

Mr Talbott, partly because of his journalistic career and his familiarity with Washington ways, is reckoned good at those aspects of the public presentation of foreign policy in which the often dour Mr Christopher is considered deficient.

Mr Talbott, partly because of his journalistic career and his familiarity with Washington ways, is reckoned good at those aspects of the public presentation of foreign policy in which the often dour Mr Christopher is considered deficient.

EU ministers wrap up agreement on packaging

But arguments on recycling are set to continue, writes Neil Buckley

Consumers across the European Union could soon be sorting through their household waste to pick out bottles, plastics and other materials for recycling, following an agreement reached by environment ministers before Christmas.

The compromise agreement on waste recovery and recycling targets in the EU's directive on packaging and packaging waste will have important consequences for Europe's packaging and waste management industries as well.

It was reached after 18 months of wrangling between member countries and lobbyists by the packaging industry, which believed original targets in a draft published last year were too severe.

The argument, however, is not over. The directive must be ratified by the European parliament, and was opposed by ministers from Germany, Den-

mark and the Netherlands, who were demanding tougher targets.

Germany is expected to campaign hard for amendments. After introducing the most ambitious targets in Europe for waste collection and recycling two years ago, it is already exceeding the proposed targets and has been forced to export large quantities of packaging waste after its own recycling industry proved inadequate.

The council of environment ministers agreed that within five years of the directive's implementation:

● Not less than 50 per cent, but no more than 65 per cent, of packaging waste should be recovered rather than simply dumped.

● A minimum of 25 per cent, and maximum of 40, should be recycled, with a minimum of 15

per cent of each category of material.

Within 10 years, the council would have to reach a "substantial increase" in these percentages.

This is somewhat softer than the original draft, which called for 90 per cent of packaging to be recovered within 10 years, with 60 per cent recycled.

Moreover, some exemptions were granted to Greece, Ireland and Portugal, because of their geographic position on the fringes of the EU, and their comparatively low consumption of packaging.

Ministers also agreed that member countries would be allowed to exceed the targets, but only if this did not lead to a distortion of the European internal market for packaging through those countries exporting the waste.

That means a German company, for instance, might be prevented from exporting excess packaging waste to other member states, unless there was a bilateral agreement with a country prepared to take it.

The compromise received a cautious welcome from packaging organisations.

Mr James Jensen, director general of the Packaging Federation, which represents some of Europe's largest packaging companies, called it a "victory for common sense".

"What has emerged is a good balance," he added.

Ms Jane Bickerton, technical director of Inspec, the London-based Industry Council for Packaging and the Environment, was more cautious. She said the targets were "more realistic, more sensible", but

the directive faced a rough passage through the European parliament.

Mr David Veitch of Procter and Gamble Europe, a member of the executive committee of the European Recovery and Recycling Association, said he was pleased ministers had recognised the need to review the targets later, according to the progress being made and available technology.

Reception in Germany, the Netherlands and Denmark, has been predictably negative.

Mr Hans Alders, Dutch environment minister, said the directive had been so weakened it had "nothing to do with the environment". Mr Klaus Töpfer, German environment minister and architect of the country's environmental legis-

lation, said the agreement would set back progress on environmental protection in Europe and force Germany to produce more waste.

"It is not supposed to be the EU's job to standardise the environmental tempo in all member states at any price or even to reverse it," he said.

Germany already recycles 66 per cent of its paper, 55 per cent of glass, 45 per cent of tin plate, and 20 per cent of plastics, and has an overall recycling target of 60 per cent by mid-1995. It says Europe as a whole already recycles more than 25 per cent of its packaging material - if figures for glass, recycling of which is well established, are included - and so the new directive may be a harmonising measure, but is not progressive.

But France and the UK, in particular, have complained that German waste exports are undermining their domestic waste management companies, which can no longer compete with cheaper waste paper coming across their borders.

"It was very clear to environment ministers in Brussels that the German model needed to be scaled back to meet the concern of member states angered by German waste exports," said Ms Nancy Russett, director of the Association of Plastics Manufacturers in Europe.

Officials at the German environment ministry counter that Germany's waste export problems are only temporary as two recycling plants in eastern Germany are due to be functioning next year and will be able to recycle nearly all the waste paper now exported to neighbouring countries.

Additional reporting by Ariane Gerthoff in Bonn

THE FINANCIAL TIMES
Published by The Financial Times
(Europe) GmbH, Nibelungenplatz 3,
60318 Frankfurt am Main, Germany.
Telephone: +49 69 158 150. Fax: +49
69 294481. Telex: 416197. Registered
by Edward Hugo, Managing Director,
Printer: DVM Druck-Vertrieb und
Marketing GmbH, Adenau-Rosenthal
Strasse 34, 63263 Neu-Isenburg (owned
by Hainberger International).
Responsible Editor: Richard Lambert,
c/o The Financial Times Limited,
Number One Southbank Bridge,
London SE1 9PL, UK. Shareholders of
The Financial Times (Europe) GmbH are:
The Financial Times (Europe) Ltd, London
and F.T. (Germany) Advertising
Ltd, London. Shareholders of the
above mentioned two companies in The
Financial Times Limited, Number One
Southbank Bridge, London SE1 9PL.
The Company is incorporated under the
laws of England and Wales. Chairman:
D.C.M. Bell.

FRANCE
Publishing Director: J. Rolley, 168 Rue
de Valenciennes, F-75004 Paris Cedex 01.
Telephone (01) 4297-0521. Fax (01)
4297-0629. Printer: S.A. Nord Editeur,
1571 Rue de Calix, F-91100 Roissy
CDG. Editor: Richard Lambert.
ISSN: ISSN 1148-2753. Commission
Paritaire No 67808D.

DENMARK
Financial Times (Scandinavia) Ltd,
Vinduevej 22A, DK-2300 Copenhagen
S, Denmark. Telephone 33 13 44 41. Fax 33
93 57 35.

London
of
Now
it is
Lon-
cer-
they

مكتبة الامم المتحدة

Japanese PM sees upturn despite gloom

By William Dawkins in Tokyo

Mr Morihiro Hosokawa, the Japanese prime minister, yesterday predicted a national economic upturn by next summer and brushed aside the latest rash of gloomy indicators.

"Although pessimism is prevalent over the prospects for the economy, I take a rather different view," said Mr Hosokawa.

He was speaking four days after unveiling a six-point economic plan for deregulation and tax reform, widely criticised by business leaders as lacking substance.

Japan's jobless rate has continued to rise, edging up last month to 2.8 per cent, a six-year high, and a tenth of a point more than in October. The number of people looking for a job continued to rise, by 18 per cent annually, while job offers fell by about the same rate.

As a result, the number of jobs per 100 applicants declined to 65 last month, from 68 at the turn of the year. Job losses are worst among women - where employment fell by 0.5 per cent over 12 months - farmers and manufacturing workers.

The weak job market has been a continued drag on consumer spending, as shown by a 6.9 per cent decline in sales by large retailers in the year to November. The Tokyo consumer price index rose by a mere 1.3 per cent over that period, as clothing and furniture stores offered big discounts and companies cut entertainment spending.

However, the prospects for an increase in industrial employment look remote, as shown by a 3.6 per cent year-on-year fall in industrial output last month, marking a record 26 months of decline.

Inventories rose by 0.9 per cent from the previous month, suggesting that companies still need to curb production in line with weak demand.

Orders received by Japan's 50 largest construction groups fell by 16.1 per cent last month, from a year earlier, a slow-

down compared with the 24.3 per cent drop recorded in October. This was despite an 8.7 per cent rise in housing starts, one of the few bright spots.

Japan's gross domestic product (total output of goods and services) grew a revised real 0.4 per cent in 1992-93, after a 3.6 per cent gain the previous year, said the Economic Planning Agency last week.

Gross national product (GDP minus net income from overseas production) grew by a real 0.7 per cent in fiscal 1992-93, ended last March, after a 3.6 per cent gain in 1990-91.

In nominal terms, GDP rose 2.1 per cent in 1992-93 after a 5.4 per cent rise in 1991-92, and GNP rose 2.4 per cent.

● Muramoto Construction, subject of Japan's largest post-war financial collapse, has obtained court approval to restructure. The group filed for protection from its creditors early last month, with debts of up to ¥590bn (\$5.5bn), after banks withdrew support. Muramoto's fate, caused by investing in over-valued golf courses in the late 1980s, has led to the collapse of several suppliers.

self in assessing the case put before him. "Our view is that the judge had erred in law, in his finding, with regard to factual and scientific evidence," said the judgment by the Supreme Court. The court also ordered damages to be assessed in favour of ARE.

A group of local residents who brought the original action against ARE said it was very disappointed with the new verdict. About 3,000 residents had come to Kuala Lumpur to await the judgment.

An earlier Supreme Court judgment had allowed ARE to continue its operations pending the appeal.

The ARE case has aroused interest among environmental groups, both in Malaysia and Japan, with Japan's multinational companies accused of exporting dirty industries to countries with less stringent environmental rules.

Japan company wins Malaysian minerals appeal

By Kieran Cooke in Kuala Lumpur

A Japanese-controlled chemical company operating in Malaysia has won its appeal against a court judgment which had found it guilty of emitting radioactive waste.

The Asian Rare Earth company (ARE), 35 per cent owned by the Mitsubishi Kasei group, Japan's largest chemical company, had been producing, at its factory near the town of Ipoh in northern Malaysia, minerals used mostly in the manufacture of electronics components.

In July last year, the Ipoh High Court accepted evidence of a growing number of cases of leukaemia, infant deaths and congenital disease in the vicinity of the factory.

But the Malaysian Supreme Court said the Ipoh trial judge had seriously misdirected him-

self in assessing the case put before him. "Our view is that the judge had erred in law, in his finding, with regard to factual and scientific evidence," said the judgment by the Supreme Court. The court also ordered damages to be assessed in favour of ARE.

A group of local residents who brought the original action against ARE said it was very disappointed with the new verdict. About 3,000 residents had come to Kuala Lumpur to await the judgment.

An earlier Supreme Court judgment had allowed ARE to continue its operations pending the appeal.

The ARE case has aroused interest among environmental groups, both in Malaysia and Japan, with Japan's multinational companies accused of exporting dirty industries to countries with less stringent environmental rules.

Court takes firm line on extorted pay-offs

By Robert Thomson in Tokyo

A Japanese court has signalled its disapproval of deals by companies to pay off racketeers and other extortionists who threaten to disrupt annual shareholders' meetings.

The Tokyo District Court on Monday meted out suspended sentences of between five and six months variously to four former officials of Kirin Brewery who were found to have given ¥46m (\$415,000) to sokaiya (extortionists) this year.

The company denied any links with the pay-offs, but the chairman and two other senior officials stepped down in July to take responsibility for the scandal. They have remained with the company as advisers, however.

Many such extortionists claim gang links and commonly take a small stake in leading companies. They then threaten to ask embarrassing questions at the annual meeting, unless the company pays them to stay away.

In the past, company execu-

tives have lost face at the meetings when dissatisfied shareholders have asked probing questions, including points about scandalous information concerning them or about the conduct of the company.

Some meetings have been stretched to as long as 13 hours as executives faced query after query.

To limit the impact of the sokaiya, most Japanese companies hold their shareholders' meeting on the same day but some companies are still targeted and Kirin seems to have been a victim this year.

Last year, Mr Masatoshi Ito, president of Ito-Yokado, the retail group, resigned after the arrest of executives from his company who were alleged to have paid ¥27m to gangsters in violation of the Commercial Code, which was toughened in 1982 to prohibit pay-offs.

Companies have also been known to hire racketeers to monopolise the floor at shareholders' meetings, so as to prevent investors asking legitimate questions.



Traders on the Seoul stock exchange celebrate the end of their dealing year yesterday

German bidder kept in Seoul rail contract race

By John Ridding in Paris and Judy Dempsey in Berlin

South Korea yesterday said that it was extending negotiations for its \$2.4bn (£1.6bn) high-speed railway project into next year, and that it had asked a German consortium, which had appeared to have lost the battle for the contract, to maintain its offer.

The statement seemed to be aimed at putting pressure on GEC-Alsthom, the UK-French transport and engineering group, which is negotiating the high-speed rail contract with the South Korean authorities.

GEC-Alsthom, which defeated a consortium headed by Siemens to win the right to negotiate the contract in August, had expected to conclude the deal by the end of this year.

Industry observers said that several sticking points remained in the negotiations. These included the terms of technology transfer from the UK-French group to its Korean partners, such as Hyundai Precision Industries and Hanjin Heavy Industries.

GEC-Alsthom, which builds the French *train d grande vitesse* (high-speed train), played down the implications of the South Korean decision. "We remain the priority bidder," the company said, adding that an extension of negotiations was normal in such an important contract.

"The Korean authorities are trying, perhaps, to increase the pressure on us. That is logical in the course of negotiations," the UK-French group said. The extension of negotiations and the request to main-

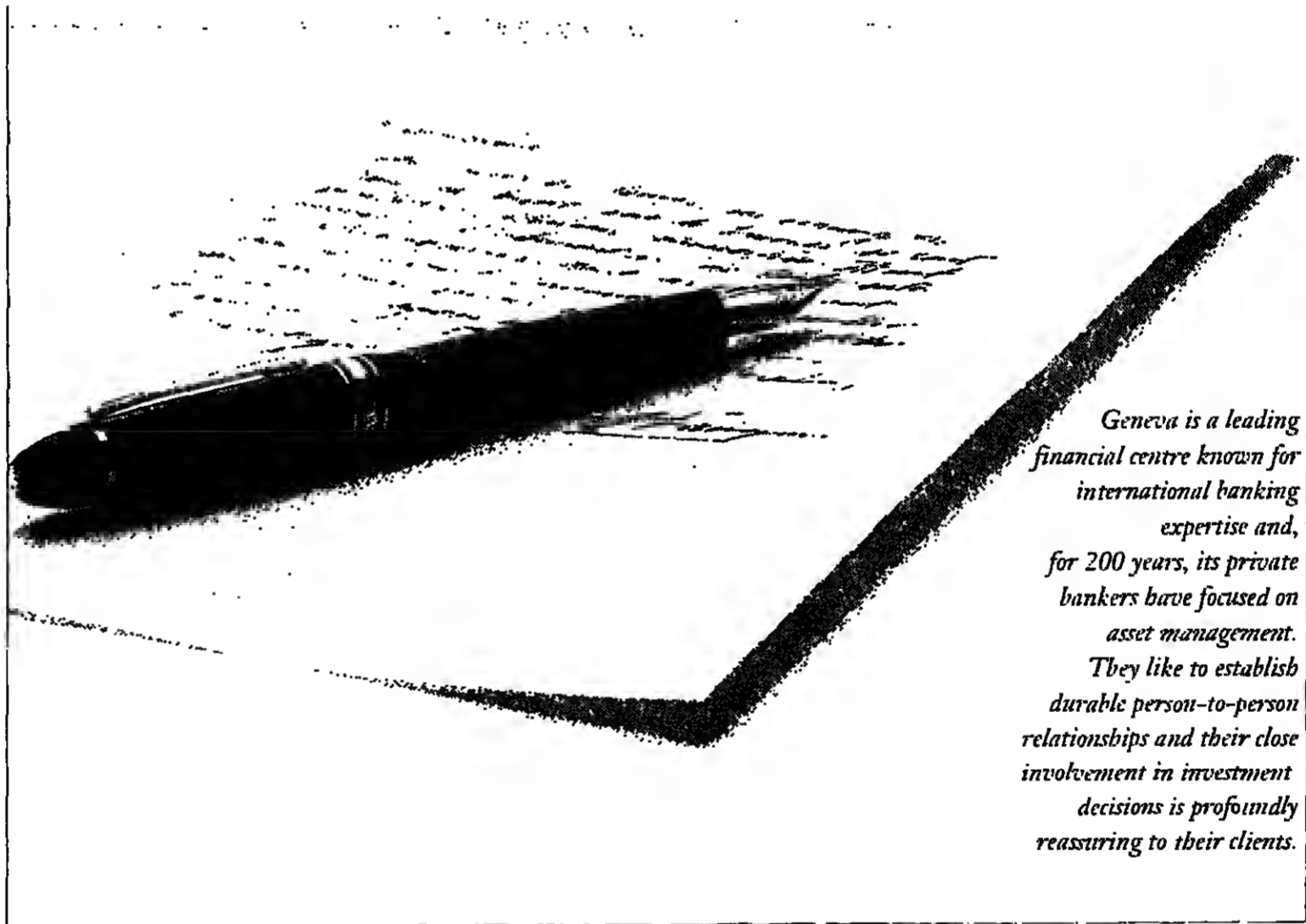
tain its bid will, however, encourage Siemens and its partners in the German consortium. "Of course we are still interested," said an official from AEG, the engineering group which is part of the German consortium.

The South Korean contract to build a high-speed line from Seoul to the southern port of Pusan is regarded by the rival groups as a key strategic project, which would leave the winner strongly placed in the international market for high-speed trains.

The importance of the contract has prompted fierce competition between GEC-Alsthom and Siemens.

The UK-French group was forced to cut its offer price by more than 30 per cent in order to win the right to negotiate the contract.

It is comforting to entrust one's assets to a Geneva private banker.



Geneva is a leading financial centre known for international banking expertise and, for 200 years, its private bankers have focused on asset management. They like to establish durable person-to-person relationships and their close involvement in investment decisions is profoundly reassuring to their clients.



GROUPEMENT DES BANQUIERS PRIVÉS GENEVOIS
A vision of liberty

In Geneva:

BORDIER & Cie - DARIER, HENTSCH & Cie - LOMBARD, ODIER & Cie - MIRABAUD & Cie - PICTET & Cie
(1844) (1796) (1798) (1819) (1805)

The Groupement des Banquiers Privés Genevois is not registered in the United Kingdom and does not carry on an insurance business in the United Kingdom. This advertisement has been approved by Lombard Odier Private Asset Management Limited, Mirabaud Private Asset Management Limited and Pictet Asset Management U.K. Limited, members of BMO.

Singh threatens to quit

India has been thrown into political and economic uncertainty by the threatened resignation of Mr Manmohan Singh, the finance minister and principal architect of the country's wide-ranging economic reforms.

Mr PV Narasimha Rao, the prime minister, is under intense pressure to reject the resignation of Mr Singh, who offered to quit late last week after the publication of a parliamentary report into last year's Rs40bn (US\$6bn) Bombay securities market scandal. MPs who wrote the report criticised the financial system and held Mr Singh responsible for the shortcomings of officials entrusted with financial supervision.

The ruling Congress (I) party, leading Indian business figures and newspapers and foreign companies dealing with India are all urging the prime minister to keep Mr Singh in the government. Supporters of economic reform said his departure would harm India's international reputation.

Mr Singh's resignation move was made public late on Christmas Eve, by which time the Bombay Stock Exchange, the country's largest, was

Stefan Wagstyl on the Indian market scandal report that has upset the finance minister

already closed. It does not reopen until January 3. However, prices have fallen sharply in out-of-hours deals.

The balance of opinion in Delhi last night was that Mr Singh's resignation would be rejected. But much would depend on a parliamentary debate on the scandal, due today and tomorrow. If his record comes under further attack he may quit, even if the prime minister wants him to stay. Mr Singh may also want to hear a wholehearted statement of support from the prime minister, who has yet to make any public comment on the resignation.

Mr Narasimha Rao's position is complicated by the fact that two other ministers are also criticised to the report, both more seriously than Mr Singh. But neither of these two men - Mr B Shankaranand, health minister, and Mr Rameshwar Thakur, rural development minister - wants to quit. Persuading Mr Shankaranand and Mr Thakur to stay, while urging Mr Singh to go, will test even the wily Mr Narasimha Rao's political skills.

For 61-year-old Mr Singh such horse-trading could be too much to bear. An academic

economist and career bureaucrat, he dislikes dealing with the dirt of Indian politics. Loyal as he is to the prime minister, he is even more loyal to his own sense of honour. He feels deeply hurt by the scandal committee's criticisms; probably nothing less than their withdrawal would fully satisfy him.

He has said little about his resignation offer except that reform would continue, even without him. His officials are busy preparing the 1993-1994 budget, due in mid-February, which is expected to contain a new tranche of reforms, including measures to further open financial markets to competition.

While a new minister could easily pick up the reins of budget-making in time for February, Mr Singh's departure would damage morale to the ministry because he is so closely identified with the liberalisation programme. Finance Ministry officials have had to fight frequent battles with other ministries to advance reform, and have relied on Mr Singh's support. But what really matters -

more than the person of the finance minister - is the prime minister's and the ruling party's commitment to reform.

In his first 18 months in office, Mr Singh achieved much because the mid-1991 economic crisis, when India sought emergency loans from the International Monetary Fund, was so serious that even the most conservative Congress MPs accepted reform was necessary. Import duties were cut, internal controls were partly liberalised and foreign companies made welcome for the first time in over 20 years.

Mr Singh and his fellow reformers gradually moved closer to reforming the core of India's economic weakness: its subsidy-pampered farmers, inefficient bureaucracy and overmanned state-owned industry. But they have been forced to hold back from really overhauling these vested interests, because they include some of the Congress party's staunchest supporters.

For the past year, the prime minister has been unable to tackle these thorny issues because of the political turmoil caused by the storming of the Ayodhya mosque and the unrest which followed. But, although Mr Narasimha Rao says he fully supports more reform, he has yet to demonstrate a willingness to press ahead with politically difficult changes. Losing Mr Singh might erode his will further.

Mideast talks continue in Cairo

By Julian Ozanne in Jerusalem

Israeli and Palestinian peace negotiators continued difficult talks in Cairo last night searching for a compromise formula to unblock the peace process and begin implementation of Palestinian self-rule in Gaza and Jericho.

Although the two sides appear to be firmly deadlocked on the main issue of who should control border crossings, Mr Yossi Sarid, Israel's environment minister, said the Israeli team would stay in Cairo for "as long as it takes". Mr Sarid, however, refused to say whether the two negotiating teams had made any progress in the talks, which began on Monday night.

Apart from the border issue, Palestinians and Israelis are also divided on the size of the Jericho area to be handed over to Palestinians and security for Jewish settlers who will continue to live in Gaza-Jericho once the Israeli military withdraws.

Under the peace accord Israel was due to have started redeploying its troops out of Gaza-Jericho more than two weeks ago, but the deadlock in negotiations has delayed implementation of the agreement.



Israel foreign minister Shimon Peres (left) tells a Cairo news conference yesterday he has "unlimited hopes" of agreement with the PLO in their current talks in Egypt.

Meanwhile Mr Yitzhak Rabin, Israeli prime minister, yesterday accused Syria of not doing enough to prevent attacks by Arab guerrillas on Israeli targets in Lebanon. Mr Rabin, who toured Israel's self-declared security zone in Lebanon, made the accusation as Israeli aircraft bombed positions to south Lebanon held by

the pro-Iranian fundamentalist Hizbollah movement. Mr Rabin said Israel was prepared to pull out of south Lebanon if the Lebanese army could prove that it could disarm Hizbollah and prevent attacks on Israel and their Lebanese allies for at least six months.

Despite Mr Rabin's accusation, there are signs of a thaw in relations between Damascus and Jerusalem ahead of the summit between President Bill Clinton and President Hafez al-Assad next month. Israeli newspapers yesterday said US officials had confirmed that Damascus last week issued the first of 800 exit visas to Syrian Jews agreed last month as a confidence-building measure.

NEWS IN BRIEF

Seoul cool on North Korea bomb reports

South Korean President Kim Young-sam yesterday played down reports that North Korea had probably developed nuclear bombs, Reuters reports from Seoul.

"North Korea has strong intentions to develop nuclear weapons. But [I] cannot say North Korea possesses any nuclear arms at the moment," Yonhap news agency quoted Mr Kim as saying. "We have accurate information about that."

On Sunday, the New York Times said the US Central Intelligence Agency had advised President Bill Clinton that North Korea had probably built one or two nuclear bombs. The newspaper, quoting unnamed US officials, said the finding was disputed by the State Department but supported by all intelligence agencies.

In Tokyo yesterday, the foreign minister, Mr Tsutomu Hata, said Japan would not impose economic sanctions against North Korea over its suspected nuclear weapons programme. He did not specify whether he was ruling out unilateral sanctions or whether Japan would refuse to join any UN-ordered embargo against North Korea.

No Taipei talks for BAe before June

Taiwan Aerospace will not resume talks with British Aerospace on their stalled \$773m (US\$30m) airliner joint venture before June, the economic affairs minister, Mr Chiang Pin-kung, was yesterday quoted as saying, Reuters reports from Taipei.

Any reopening of talks would depend on a review of Taiwan's plans for its fledgling aerospace industry, expected by June 30, national newspapers reported Mr Chiang as telling parliament on Monday.

BAe and Taiwan Aerospace, 29 per cent owned by the Taiwan government, signed a deal to January 1993 to form a 50-50 venture to produce the BA family of 75- to 115-seat

regional passenger jets for assembly in Britain and Taiwan. But talks stalled over financing and technology transfer to Taiwan.

Chilean finance minister named

The task of maintaining Chile's impressive economic record will go to Mr Eduardo Aninat following his appointment as finance minister to the cabinet of president-elect Eduardo Frei, due to take over next March, writes David Pilling from Santiago.

Mr Aninat, 45, who will replace the much-praised Mr Alejandro Foxley, was Chile's chief debt negotiator until March 1991 when he returned to his private economic consultancy.

Other important cabinet appointments include Mr German Correa, a socialist, to the politically sensitive Interior Ministry.

Extremists admit Cairo bus attack

An extremist Islamic group, Gama'a al-Islamiyyah, yesterday claimed responsibility for an attack on a tourist bus in Cairo, which wounded 16 people, eight of them Austrians, writes Shahrir Idriss from Cairo. Two of the Austrians were critically injured.

Attackers on Monday hurled two bombs into the bus, which was on a tour of old Cairo, and opened fire on the passengers, before escaping. Gama'a al-Islamiyyah is one of the main extremist groups aiming to topple the Egyptian government and replace it with an Islamic state.

Milosevic fails to win overall majority

The Socialists of Serbian President Slobodan Milosevic failed to win an overall majority despite a repeat vote in 45 constituencies in Serbia party officials said yesterday, Laura Silber writes from Belgrade.

The party said the new round - held because of allegations of irregularities at the December 19 poll - had not substantially altered the outcome, according to unofficial results. The first poll saw the Socialists returned to parliament as the biggest party, with 123 of the 250 seats.

First meeting for Saudi council

By Roger Matthews, Middle East Editor

Saudi Arabia is expected to take its first step towards more representative government today when King Fahd bto Abdulaziz inaugurates the first session of the 60-member majlis al-shura (consultative council).

The creation of the council, first discussed more than 30 years ago, reflects the huge changes which have taken place in Saudi Arabia as a result of its oil wealth and its central role in maintaining stability in the Gulf.

The council will initially play an advisory role, but could develop into the main source of new legislation. Its 60 members, who were appointed to September, have been drawn mainly from the professions and more than half have advanced degrees from western universities.

They will debate issues referred to them by the council of ministers, headed by King Fahd, but their recommendations will not be binding. Debates will be held in secret and members will not be allowed to remove documents from the council chamber in Riyadh.

The creation of the council has come at a testing time for the government, with the fall in oil prices threatening plans both to bring the budget deficit under control and to reduce the worsening current account deficit.

Tax increase strategy defended

By Peter Norman, Economics Editor

The UK government yesterday claimed that its Budget tax increases would help to sustain Britain's economic recovery by damping consumer demand and preventing an inflationary boom.

Speaking as shoppers flocked to post-Christmas sales, Mr Stephen Dorrell, financial secretary to the Treasury, said planned tax increases - which will be equivalent to 7 pence on income tax in three years' time - will slow growth. But he told the BBC Radio 4 Today programme there was "no reason to believe" the changes coming "this year or in 1994

and 1995 will have any serious adverse effect on the recovery."

"What we have seen, quarter by quarter, is a recovery that has taken root and been sustained - and the likelihood is that this will continue," Mr Dorrell said.

Without this year's two Budgets, people would have lacked confidence that the UK economy had a sound financial base, he said. "Because difficult decisions have been taken, we can have reasonable confidence that the recovery will continue on the path set now for over 18 months."

Mr Dorrell's view that the Budget will lead to steady growth is given some support

today by the latest bi-monthly survey of business opinion from the Institute of Directors and Halifax Building Society's end-of-year review of the housing market.

Although the IoD reported only a slight increase in overall business confidence in the two months between October and December, it found that the November 30 Budget appears to have boosted optimism among directors about prospects for their own businesses in 1994 and may encourage them to take on more staff.

While retailers yesterday reported their best winter sales since the late 1980s, Mr Dorrell made clear that the government was not interested in

stoking a consumer-led boom. Mr Dorrell pointed out that the past year's growth of about 3 per cent had taken place against depressed conditions in Europe and Japan. The government must take care not to let the UK economy run ahead too fast.

However, his upbeat view of the Budget was challenged by Mr Andrew Smith, a Labour Treasury spokesman. "When, come April, people have their pay slip in one hand and a fuel bill in the other, they will see for themselves just how hard the government is hitting them on taxation," he said. Mr Smith said the typical UK family faced extra taxes of £10 a week in 1994.

Effort to amend rail sell-off rules for Scotland

By Roland Rudd

The Scottish Office is privately lobbying the UK Department of Transport to amend its rail privatisation proposals for Scotland.

Potential bidders for ScotRail have warned the government that rail privatisation will succeed in Scotland only if the franchise holder is given control over the track.

Under current rail privatisation plans, franchises will be offered to run railways while track and signalling will be operated by Railtrack, a separate company.

The Scottish Office has told potential bidders for ScotRail that it is sympathetic to their demands for vertical integration, which combines services with ownership of track and signalling.

A spokesman for the Scottish Office yesterday said rail privatisation to Scotland was the responsibility of the Department of Transport. He pointed out, however, that Mr Roger Freeman, transport minister, said bids in favour of vertical integration may be considered for ScotRail.

If a prospective operator submitted a bid which included control over infrastructure, it would be left to the government-appointed franchising director, Mr Roger Salmon, to decide whether to accept it.

Under the present guidelines laid down by the Department of Transport, Mr Salmon would be highly unlikely to do so. Any bid aiming to control the track in Scotland would also be bitterly resisted by Railtrack.

The Treasury strongly backs the Department of Transport's decision not to relax its rail privatisation plans in Scotland. According to a Whitehall official, both departments are "fed up with the Scottish Office continually pleading a special case north of the border".

Nonetheless, pressure is growing to Scotland for ways to be found to bypass the Transport Department's opposition.

ScotRail is one of the first seven franchises to be offered. The government hopes to see ScotRail being run by the private sector by early 1995, after running as a stand-alone concern within BR from next April.

Council to fight action over swaps

by John Riddling in Paris and Vanessa Houlder in London

The London Borough of Hammersmith and Fulham said yesterday it would "vigorously contest" a legal action brought against it by Crédit Commercial de France, one of France's biggest banks, which is trying to recover losses it suffered from interest rate swap agreements.

CCF said that the London council had made "fraudulent misrepresentations" about its power to undertake swap transactions in which two parties agree to exchange fixed and floating-rate interest payments.

Councils generally swapped their fixed-rate liabilities for floating-rate ones - effectively gambling on interest rates staying low - and were left facing substantial losses when interest rates rose at the end of the 1980s.

Hammersmith & Fulham - one of the most active players in the swaps market - denied misrepresentation. It said the

legal action appeared to be "an attempt to enforce swap agreements which the House of Lords declared to be beyond our legal powers."

The French bank said the decision to sue followed a ruling this month by the Court of Appeal, which upheld a High Court order that the London borough of Islington must pay £1.4m to Westdeutsche Landesbank, the German bank.

CCF declined to specify the amount it was claiming, but said it sought "to recover both sums it paid to Hammersmith & Fulham and losses it incurred on matching transactions."

It said the 1991 ruling by the House of Lords that local authorities did not have the power to enter into interest rate swaps, caused "enormous losses to the banking community as a whole."

The Lords' decision left 80 banks facing losses of £500m, some of which they have sought to recover through restitution - reclaiming interest paid to councils under the invalid swap agreements.

Britain in brief



Spending on rail network 'at low level'

Britain is investing less in its rail network than nearly all other West European countries, according to a survey of 12 countries by Rail Business Report, an annual review.

Germany will spend £en62bn and France £en 20bn of the total £en120bn (£91bn) investment planned by European railways over the next 10 years although spending per mile will be greatest in the Netherlands and Switzerland. Only Finland will spend less per mile than Britain.

British Rail will spend £en4.4bn (£2.3bn) or £en106,000 per mile when projects such as the E3bn Channel tunnel link, the £2.5bn London Crossrail scheme and the £600m west coast line upgrading have been excluded. There are no guarantees that the private sector will be willing to finance these programmes, the report said.

Even if these projects were included Britain would still rank only seventh in the European league table.

Concern over deportations

Mr Tony Blair, the shadow home secretary, is to question Home Office ministers early in the New Year about the deportation of 28 Jamaicans from Britain on Christmas Day.

Labour said yesterday Mr Blair was concerned about the Home Office's reasons for deporting 28 Caribbean nationals from London's Gatwick airport at the weekend.

Labour MPs were particularly concerned over how the Jamaicans were treated in Home Office custody, and the reasons why immigration officials picked out the charter plane on which they had been travelling.

Jamaican foreign ministry officials said the government would consider carefully the reports of those refused entry, and "take whatever diplomatic and political steps" it thought appropriate.

Private sector pay rises slow

Pay increases in Britain's private sector are continuing to slow, Incomes Data Services, an independent pay monitor-

Unions claim legal awards

Unions affiliated to the TUC may have won over £200m to legal awards for members last year, the TUC says in its annual survey of union legal services today - a higher figure than in 1991, despite a decline to union membership.

Most of the 123,000 legal cases taken up by unions in 1992 concerned personal injury at work. Other issues included employment protection, criminal injury, road traffic accidents, copyright and libel.

US figures back Ulster efforts

A number of prominent US businessmen, lawyers and community figures, including several well-known Irish-Americans, have expressed support for peace initiatives in Northern Ireland.

In a full-page advertisement in Monday's New York Times, more than a hundred signatories commended UK and Irish leaders, including the leaders of Sinn Féin, for attempts to seek a peaceful settlement.

Among those who signed the advertisement were Mr Daniel Tully, chairman of Merrill Lynch, Wall Street's largest securities firm, Mr Donald Trump, the New York property developer and Mr Hugh Carey, the former governor of New York State.

Row over coal pits sell-off

British Coal yesterday rejected charges of conflict of interest levelled against managers planning to stage buy-outs of the pits they have been preparing for privatisation.

Mr Kim Howells, Labour MP for Fenny Stratford, accused managers of enjoying an unfair advantage because of their involvement in the run-up to privatisation.

His comments came after Mr Neil Clarke, British Coal chairman, said he would not be surprised if some managers were interested in buy-outs. "They know a great deal about the business, its risks and its potential."

British Coal said the managers "have been steering operations to make sure supply matches demand and to make it competitive in a very harsh marketplace."

Severe weather disrupts travel

Britain was swept by a severe band of snow yesterday, causing difficulties for Christmas period travellers.

Snow up to six inches deep blanketed central Scotland while ice and snow left the roads treacherous as far south as Kent.

Leeds-Bradford airport was closed, with flights diverted to Manchester airport. Incoming and outgoing passengers were transferred by coach.

Flights to Birmingham airport were halted for several hours while snow was cleared from the runway and outgoing flights were delayed. Bus and rail services were also hit.

Despite bad weather, however, Glasgow and Edinburgh airports operated normally. Packed snow reduced stretches of the A2 around Birmingham to one lane while police described roads in West Yorkshire as "atrocious".



Sporting events were also hit hard by the severe weather, with many race meetings disrupted. Regardless of snow, trainer Mark Johnson exercised his horses on the moors near York yesterday.

Other parts of the country were similarly affected. The RAC said it had received 2,500 emergency calls in one hour, while the AA reported problems throughout Leicestershire, Nottinghamshire, Cambridgeshire and as far as

the south as Kent. Later in the day, heavy rain added to difficulties, but helped to turn the snow to slush.

Meanwhile, an air and sea search managed to locate a former pleasure boat with two crew aboard, which had lost

radio contact during bad weather in Cardigan Bay off the Welsh coast.

Helicopters and lifeboats had spent the night searching for the 55ft St. Keyne, which was on its way from Tenby, Dyfed, to Fleetwood in Lancashire.

مكتبة المجلس

The Financial Times Plans to Publish a Survey on Paints & the Environment: An Industry Fights Back.

On Thursday, March 31

It will be published from our print centres in Tokyo, New York, Frankfurt, Roubah and London. It will be seen by Chief Executives and Government Officials in 160 countries worldwide.

For full editorial synopsis and details of available advertisement positions, please contact:

BRIAN HERON on Tel: 061 834 9381 Fax: 061 832 9248

FINANCIAL TIMES

Alexandra Buildings, Queen Street, Manchester M2 5LF.

FT Surveys

The Financial Times Plans to Publish a Survey on Mobile Computing

On Thursday, January 28

With new technologies producing substantially lighter and more powerful machines, and with sales growing rapidly, the business potential of mobile computing is enormous.

This survey will provide extremely useful and uncomplicated information to more business decision makers on Laptops / Notebooks than any other quality daily newspaper*. This will be the indispensable guide for buyers of mobile computers.

*Source: BMRC British Business Survey 1993

IF YOU WOULD LIKE TO ADVERTISE IN THIS SURVEY, PLEASE CONTACT:

GAVIN BISHOP
on Tel: 071 873 4196
or Fax: 071 873 3062

FT Surveys

FT CURRENCY EXCHANGE RATES supplied directly to your PC

FINSTAT Electronic Currency Feed

With FINSTAT, you have direct access to the Financial Times currency tables - online or on disk. No more keying data into your system or clipping and archiving daily tables.

FINSTAT delivers data the evening before it is published in the FT

FINSTAT will give you:

- Sterling & US dollar exchange rates
- Spot and forward rates
- Eurocurrency interest rates
- ECU exchange rates
- Historical data
- Spreadsheet compatible
- Full Helpdesk support

Ensure Accuracy - Save Time

For information on FINSTAT contact Karen Bidmead on:

Tel: +44 71 873 4613 Fax: +44 71 873 4610

FINSTAT
FINANCIAL TIMES INFORMATION SERVICES

Number One, Southwark Bridge London SE1 9HL

السؤال والاسئلة

THE WEEK AHEAD

DIVIDEND & INTEREST PAYMENTS

MONDAY DECEMBER 27

Black & Decker \$0.1
Town Centre Securities 10.5% 1st Mtg. Deb.
2021 \$5.25

TODAY

Abbey Nat. Trass. Servs. 8.5% Gtd. Nts.
'95 \$5.82.5
All Nippon Airs 4.4% Nts. 2000 Y111222
Do. 4.4% Nts. 2001 Y113750
Banque Int. SA 8.5% Nts. 1995 \$4082.5
Bradford & Bingley Bldg. Soc. Sub. FRN's
'01 \$1775.37
Britannia Bldg. Soc. Sub. FRN's '08 \$1790.83
British Aero. 11.5% Bds. '08 \$583.75
Cardiff Auto. Receivables Sec. (UK) FRN's
'85 \$155.82
Chelsea Bldg. Soc. Sub. FRN's '98 \$13685.79
Commonwealth Bk. Australia 10 Yr. Gtd. Exp.
Cap. FRN's \$180.46
Ebers 4.5% Bds. 2000 Y118750
Eli Enterprise Fin. 8.5% Gtd. Exch. Bds. '05
\$218.75
Full Bk. Int. Fin. NV Und. Sub. Gtd. Var Rate
Nts. Y55573
Gen. Motors Acceptance Canada FRN's '98
\$8221.68
Hilldown Hldgs. 4.5% Crv. Bds. '02 \$46
Republic of Italy FRN's '98 \$43.45
JETS Int. Serv. F FRN's '97 Y795653
Kohap (HK) Gtd. FRN's '98 \$540.89
Marubeni Int. Fin. 8% Bds. '94 Y5000000
Natl. & Provincial Bldg. Soc. FRN's '96 \$78.35
Nationwide Bldg. Soc. FRN's '98 \$75.73
Residential Prop. No. 3 At Mtg. Bkd. FRN's
2025 \$1552.11
Do. A2 Mtg. Bkd. FRN's '25 \$1550.74
Do. B Mtg. Bkd. FRN's '25 \$1807.53
Rover & Merc. Ord. Cap. & Inc. Tel. '99 1.4p
Royal Bk. Can. Canadian Fd. Pfg. Rd. Pft.
\$80.025
SABRE Int. Serv. P Var. Rate Sec. Nts. '98
Y74584
Scandinavian Fin. BV Pfg. Rate Serl. Nts.
'93 \$53.38
Smith & Nephew 5.5% Crv. Bds. 2000 \$275
Stratagems 3.25p
Sunlight Laundry 3.25p
TOMORROW

Chesterfield Props. 4p
Enterprise Oil 10.5% Nts. '98 \$531.25
Guinness Fin. Australia 10% Gtd. Nts. '98
\$5100
Jersey Phoenix Tel. 1.25p
Lloyds Group Fin. (Jersey) 9% Crv. Cap.
Bds. '05 \$45
Lloyds Eurofinance NV 11.5% Gtd. Bds. '94
\$115
Lon. & Stratford Tel. 4.25p
Morgan Grenfell Equity Inc. Tel. 2.5p
Northchard Invest. Z550.04
Seagrem \$0.14
Slough Ests. 11.5% Bds. '12 \$182.5
Swedish Bank (Sparbanken) Sub. FRN's '02
\$238.92
Trust Funding FRN's '97 \$818.07
Unilever 8.00p
Do. NV FL1.48
UK FRN's 1995 \$74.25
Walworth Bldg. Soc. FRN's '97 \$155.82
Wentworth Bldg. Soc. FRN's '97 \$155.82
Alexander & Alexander \$0.25
Do. Class C 18.88p
Alexanders Hldgs. 9.5% Crv. Pft. 3.325p
Allied Lon. Props. 10.5% 1st Mtg. Db. '25
\$33.375
Do. 7.5% 1st Mtg. Db. 30.95 \$3.75
AMEC 1.5p
Anglo Eastern Plants. 12.5% Crv. Un. 95/
99 \$3.25
Angle Fin. No.1 Str. FRN '01 \$1893.12
Antipatria (Chile Bolivia) Rail. 4% Perp.
Bd. \$2.00
Antipatria 5.5% Crv. Crd. Pft. '12 \$2582.5p
Asprey 6.5% Crd. Pft. 2.275p
Do. 9.5% Crd. Pft. 4.875p
Asso. Leases 7.5% Crv. Un. 88/94 \$3.75
Atrous 0.284p
Avdel 10.5% Crv. Un. 96/98 \$3.25
Avon Rubber 4.5% Crv. Pft. 2.45p
Bampton 8.5% 1st Mtg. Db. 85/93 \$4.125
Do. 6.5% Crv. Un. 10/10 \$4.125
Bardon 3.5% Crv. Pft. 1.925p
Do. Cr. Rd. Pft. 3.825p
Do. Cr. Rd. Pft. 2005 \$6.25p
Baring Tribune Inv 8.5% Crv. Pft. '12 \$4.5825
Barrick 5.5% 1st Pft. 2.875p
Do. 9% 1st Pft. 4p
Do. 8.5% 2nd Pft. 4p
Beecham 12.5% Crv. Un. 95/05 \$3.00
Blue Circle 7.5% Crv. Pft. 3.8125p
BOC 4.55% Crv. Pft. 2.275p
Do. 2.8% Crv. 2nd Pft. 1.4p
Do. 3.5% Crv. 2nd Pft. 1.75p
Boddington 9.5% Crv. Un. 00/05 \$4.75
Bodycote 2p
Bowthorpe 7.5% Crv. Un. 90/95 \$3.50
Braine (TF & JH) 5% Crv. Pft. 2.5p
Brake Bros 2p
Bridon 8% Db. 88/93 \$4.00
Do. 10.5% Db. 91/98 \$5.125
Do. 6.5% Crv. Un. 02/07 \$3.8125
Do. 7.5% Crv. Un. 02/07 \$3.875
Bristol Water 3.5% Perp. Db. \$1.75
Do. 4% Perp. Db. \$2.125
Do. 4.5% Perp. Db. \$2.125
Brit. Assurance 5% Tax Free Crv. Pft. 2.5p
Brit. Fittings 5.5% Crv. Pft. 2.75p
Brit. Gullane Demerits Rwy. 4% Perp. \$2.00
Do. Annulites 50p
Brit. Polythene Inds. 7.5% Crv. Crd. Pft. 3.75p
Bridon Est. 5% Crv. Pft. 0.875p
Do. 9.5% 1st Mtg. Db. 2028 \$4.75
Do. 11.5% 1st Mtg. Db. 2023 \$5.325
Do. 10.75% 1st Mtg. Db. 2028 \$5.375
Do. 9% 1st Mtg. Db. \$2.97 \$4.50
Broadwater 8% Crv. Pft. 2.1p
Brookhampton 3p
Do. A Non-Vtg. 5p
Brunner Inv. 5% Crv. Pft. \$1.75
BSG Int. 0.7p
Do. 7.5% 1st Mtg. Db. 98/98 \$3.50
Do. 8.5% 1st Mtg. Db. 98/98 \$4.375
Do. 12.5% Crv. Un. 1993/98 \$3.25
Burford 10.5% 1st Mtg. Db. '14 \$5.3125
Cap. & Counties 11.5% 1st Mtg. Db. '21 \$5.625
Do. 8.5% 1st Mtg. Db. '21 \$4.375
Castek 10.25% Crv. Pft. 3.125p
Central TV 6.5% Crv. Bds. '08 \$48.04
Charwood Alco. 8.5% 1st Mtg. Db. 95/98
\$4.375
Charnock 7% Crv. Pft. 2.45p
Chester Water. 11% Rd. Db. 98/2000 \$5.8875

Chillington 5% Crv. Un. '99 4.75p
City Site Ests. 7% Crv. Un. 05/06 \$3.50
Cydyceport 4% Crv. Un. 02/07 \$2.25
Do. 8% Crv. Un. 02/07 \$3.75
Do. 9.5% Crv. Un. 02/07 \$3.75
Collateralised Mtg. Sec. (No. 8) Mtg. Bkd. FRN '28
\$137.30
Do. 11) Class A Mtg. Bkd. FRN '28
\$137.30
Comm. Union 8.5% Crv. Un. Pft. 4.375p
Cant. Bank \$0.15
Coolson 7% Crv. Pft. 2.45p
Copenhagen Handelsbank Sk. FRN 2000
\$268.33
Do. 8.5% 3.5p
Do. 11.5% 3.5p
Do. 12.5% 3.5p
Do. 13.5% 3.5p
Do. 14.5% 3.5p
Do. 15.5% 3.5p
Do. 16.5% 3.5p
Do. 17.5% 3.5p
Do. 18.5% 3.5p
Do. 19.5% 3.5p
Do. 20.5% 3.5p
Do. 21.5% 3.5p
Do. 22.5% 3.5p
Do. 23.5% 3.5p
Do. 24.5% 3.5p
Do. 25.5% 3.5p
Do. 26.5% 3.5p
Do. 27.5% 3.5p
Do. 28.5% 3.5p
Do. 29.5% 3.5p
Do. 30.5% 3.5p
Do. 31.5% 3.5p
Do. 32.5% 3.5p
Do. 33.5% 3.5p
Do. 34.5% 3.5p
Do. 35.5% 3.5p
Do. 36.5% 3.5p
Do. 37.5% 3.5p
Do. 38.5% 3.5p
Do. 39.5% 3.5p
Do. 40.5% 3.5p
Do. 41.5% 3.5p
Do. 42.5% 3.5p
Do. 43.5% 3.5p
Do. 44.5% 3.5p
Do. 45.5% 3.5p
Do. 46.5% 3.5p
Do. 47.5% 3.5p
Do. 48.5% 3.5p
Do. 49.5% 3.5p
Do. 50.5% 3.5p
Do. 51.5% 3.5p
Do. 52.5% 3.5p
Do. 53.5% 3.5p
Do. 54.5% 3.5p
Do. 55.5% 3.5p
Do. 56.5% 3.5p
Do. 57.5% 3.5p
Do. 58.5% 3.5p
Do. 59.5% 3.5p
Do. 60.5% 3.5p
Do. 61.5% 3.5p
Do. 62.5% 3.5p
Do. 63.5% 3.5p
Do. 64.5% 3.5p
Do. 65.5% 3.5p
Do. 66.5% 3.5p
Do. 67.5% 3.5p
Do. 68.5% 3.5p
Do. 69.5% 3.5p
Do. 70.5% 3.5p
Do. 71.5% 3.5p
Do. 72.5% 3.5p
Do. 73.5% 3.5p
Do. 74.5% 3.5p
Do. 75.5% 3.5p
Do. 76.5% 3.5p
Do. 77.5% 3.5p
Do. 78.5% 3.5p
Do. 79.5% 3.5p
Do. 80.5% 3.5p
Do. 81.5% 3.5p
Do. 82.5% 3.5p
Do. 83.5% 3.5p
Do. 84.5% 3.5p
Do. 85.5% 3.5p
Do. 86.5% 3.5p
Do. 87.5% 3.5p
Do. 88.5% 3.5p
Do. 89.5% 3.5p
Do. 90.5% 3.5p
Do. 91.5% 3.5p
Do. 92.5% 3.5p
Do. 93.5% 3.5p
Do. 94.5% 3.5p
Do. 95.5% 3.5p
Do. 96.5% 3.5p
Do. 97.5% 3.5p
Do. 98.5% 3.5p
Do. 99.5% 3.5p
Do. 100.5% 3.5p
Do. 101.5% 3.5p
Do. 102.5% 3.5p
Do. 103.5% 3.5p
Do. 104.5% 3.5p
Do. 105.5% 3.5p
Do. 106.5% 3.5p
Do. 107.5% 3.5p
Do. 108.5% 3.5p
Do. 109.5% 3.5p
Do. 110.5% 3.5p
Do. 111.5% 3.5p
Do. 112.5% 3.5p
Do. 113.5% 3.5p
Do. 114.5% 3.5p
Do. 115.5% 3.5p
Do. 116.5% 3.5p
Do. 117.5% 3.5p
Do. 118.5% 3.5p
Do. 119.5% 3.5p
Do. 120.5% 3.5p
Do. 121.5% 3.5p
Do. 122.5% 3.5p
Do. 123.5% 3.5p
Do. 124.5% 3.5p
Do. 125.5% 3.5p
Do. 126.5% 3.5p
Do. 127.5% 3.5p
Do. 128.5% 3.5p
Do. 129.5% 3.5p
Do. 130.5% 3.5p
Do. 131.5% 3.5p
Do. 132.5% 3.5p
Do. 133.5% 3.5p
Do. 134.5% 3.5p
Do. 135.5% 3.5p
Do. 136.5% 3.5p
Do. 137.5% 3.5p
Do. 138.5% 3.5p
Do. 139.5% 3.5p
Do. 140.5% 3.5p
Do. 141.5% 3.5p
Do. 142.5% 3.5p
Do. 143.5% 3.5p
Do. 144.5% 3.5p
Do. 145.5% 3.5p
Do. 146.5% 3.5p
Do. 147.5% 3.5p
Do. 148.5% 3.5p
Do. 149.5% 3.5p
Do. 150.5% 3.5p
Do. 151.5% 3.5p
Do. 152.5% 3.5p
Do. 153.5% 3.5p
Do. 154.5% 3.5p
Do. 155.5% 3.5p
Do. 156.5% 3.5p
Do. 157.5% 3.5p
Do. 158.5% 3.5p
Do. 159.5% 3.5p
Do. 160.5% 3.5p
Do. 161.5% 3.5p
Do. 162.5% 3.5p
Do. 163.5% 3.5p
Do. 164.5% 3.5p
Do. 165.5% 3.5p
Do. 166.5% 3.5p
Do. 167.5% 3.5p
Do. 168.5% 3.5p
Do. 169.5% 3.5p
Do. 170.5% 3.5p
Do. 171.5% 3.5p
Do. 172.5% 3.5p
Do. 173.5% 3.5p
Do. 174.5% 3.5p
Do. 175.5% 3.5p
Do. 176.5% 3.5p
Do. 177.5% 3.5p
Do. 178.5% 3.5p
Do. 179.5% 3.5p
Do. 180.5% 3.5p
Do. 181.5% 3.5p
Do. 182.5% 3.5p
Do. 183.5% 3.5p
Do. 184.5% 3.5p
Do. 185.5% 3.5p
Do. 186.5% 3.5p
Do. 187.5% 3.5p
Do. 188.5% 3.5p
Do. 189.5% 3.5p
Do. 190.5% 3.5p
Do. 191.5% 3.5p
Do. 192.5% 3.5p
Do. 193.5% 3.5p
Do. 194.5% 3.5p
Do. 195.5% 3.5p
Do. 196.5% 3.5p
Do. 197.5% 3.5p
Do. 198.5% 3.5p
Do. 199.5% 3.5p
Do. 200.5% 3.5p
Do. 201.5% 3.5p
Do. 202.5% 3.5p
Do. 203.5% 3.5p
Do. 204.5% 3.5p
Do. 205.5% 3.5p
Do. 206.5% 3.5p
Do. 207.5% 3.5p
Do. 208.5% 3.5p
Do. 209.5% 3.5p
Do. 210.5% 3.5p
Do. 211.5% 3.5p
Do. 212.5% 3.5p
Do. 213.5% 3.5p
Do. 214.5% 3.5p
Do. 215.5% 3.5p
Do. 216.5% 3.5p
Do. 217.5% 3.5p
Do. 218.5% 3.5p
Do. 219.5% 3.5p
Do. 220.5% 3.5p
Do. 221.5% 3.5p
Do. 222.5% 3.5p
Do. 223.5% 3.5p
Do. 224.5% 3.5p
Do. 225.5% 3.5p
Do. 226.5% 3.5p
Do. 227.5% 3.5p
Do. 228.5% 3.5p
Do. 229.5% 3.5p
Do. 230.5% 3.5p
Do. 231.5% 3.5p
Do. 232.5% 3.5p
Do. 233.5% 3.5p
Do. 234.5% 3.5p
Do. 235.5% 3.5p
Do. 236.5% 3.5p
Do. 237.5% 3.5p
Do. 238.5% 3.5p
Do. 239.5% 3.5p
Do. 240.5% 3.5p
Do. 241.5% 3.5p
Do. 242.5% 3.5p
Do. 243.5% 3.5p
Do. 244.5% 3.5p
Do. 245.5% 3.5p
Do. 246.5% 3.5p
Do. 247.5% 3.5p
Do. 248.5% 3.5p
Do. 249.5% 3.5p
Do. 250.5% 3.5p
Do. 251.5% 3.5p
Do. 252.5% 3.5p
Do. 253.5% 3.5p
Do. 254.5% 3.5p
Do. 255.5% 3.5p
Do. 256.5% 3.5p
Do. 257.5% 3.5p
Do. 258.5% 3.5p
Do. 259.5% 3.5p
Do. 260.5% 3.5p
Do. 261.5% 3.5p
Do. 262.5% 3.5p
Do. 263.5% 3.5p
Do. 264.5% 3.5p
Do. 265.5% 3.5p
Do. 266.5% 3.5p
Do. 267.5% 3.5p
Do. 268.5% 3.5p
Do. 269.5% 3.5p
Do. 270.5% 3.5p
Do. 271.5% 3.5p
Do. 272.5% 3.5p
Do. 273.5% 3.5p
Do. 274.5% 3.5p
Do. 275.5% 3.5p
Do. 276.5% 3.5p
Do. 277.5% 3.5p
Do. 278.5% 3.5p
Do. 279.5% 3.5p
Do. 280.5% 3.5p
Do. 281.5% 3.5p
Do. 282.5% 3.5p
Do. 283.5% 3.5p
Do. 284.5% 3.5p
Do. 285.5% 3.5p
Do. 286.5% 3.5p
Do. 287.5% 3.5p
Do. 288.5% 3.5p
Do. 289.5% 3.5p
Do. 290.5% 3.5p
Do. 291.5% 3.5p
Do. 292.5% 3.5p
Do. 293.5% 3.5p
Do. 294.5% 3.5p
Do. 295.5% 3.5p
Do. 296.5% 3.5p
Do. 297.5% 3.5p
Do. 298.5% 3.5p
Do. 299.5% 3.5p
Do. 300.5% 3.5p
Do. 301.5% 3.5p
Do. 302.5% 3.5p
Do. 303.5% 3.5p
Do. 304.5% 3.5p
Do. 305.5% 3.5p
Do. 306.5% 3.5p
Do. 307.5% 3.5p
Do. 308.5% 3.5p
Do. 309.5% 3.5p
Do. 310.5% 3.5p
Do. 311.5% 3.5p
Do. 312.5% 3.5p
Do. 313.5% 3.5p
Do. 314.5% 3.5p
Do. 315.5% 3.5p
Do. 316.5% 3.5p
Do. 317.5% 3.5p
Do. 318.5% 3.5p
Do. 319.5% 3.5p
Do. 320.5% 3.5p
Do. 321.5% 3.5p
Do. 322.5% 3.5p
Do. 323.5% 3.5p
Do. 324.5% 3.5p
Do. 325.5% 3.5p
Do. 326.5% 3.5p
Do. 327.5% 3.5p
Do. 328.5% 3.5p
Do. 329.5% 3.5p
Do. 330.5% 3.5p
Do. 331.5% 3.5p
Do. 332.5% 3.5p
Do. 333.5% 3.5p
Do. 334.5% 3.5p
Do. 335.5% 3.5p
Do. 336.5% 3.5p
Do. 337.5% 3.5p
Do. 338.5% 3.5p
Do. 339.5% 3.5p
Do. 340.5% 3.5p
Do. 341.5% 3.5p
Do. 342.5% 3.5p
Do. 343.5% 3.5p
Do. 344.5% 3.5p
Do. 345.5% 3.5p
Do. 346.5% 3.5p
Do. 347.5% 3.5p
Do. 348.5% 3.5p
Do. 349.5% 3.5p
Do. 350.5% 3.5p
Do. 351.5% 3.5p
Do. 352.5% 3.5p
Do. 353.5% 3.5p
Do. 354.5% 3.5p
Do. 355.5% 3.5p
Do. 356.5% 3.5p
Do. 357.5% 3.5p
Do. 358.5% 3.5p
Do. 359.5% 3.5p
Do. 360.5% 3.5p
Do. 361.5% 3.5p
Do. 362.5% 3.5p
Do. 363.5% 3.5p
Do. 364.5% 3.5p
Do. 365.5% 3.5p
Do. 366.5% 3.5p
Do. 367.5% 3.5p
Do. 368.5% 3.5p
Do. 369.5% 3.5p
Do. 370.5% 3.5p
Do. 371.5% 3.5p
Do. 372.5% 3.5p
Do. 373.5% 3.5p
Do. 374.5% 3.5p
Do. 375.5% 3.5p
Do. 376.5% 3.5p
Do. 377.5% 3.5p
Do. 378.5% 3.5p
Do. 379.5% 3.5p
Do. 380.5% 3.5p
Do. 381.5% 3.5p
Do. 382.5% 3.5p
Do. 383.5% 3.5p
Do. 384.5% 3.5p
Do. 385.5% 3.5p
Do. 386.5% 3.5p
Do. 387.5% 3.5p
Do. 388.5% 3.5p
Do. 389.5% 3.5p
Do. 390.5% 3.5p
Do. 391.5% 3.5p
Do. 392.5% 3.5p
Do. 393.5% 3.5p
Do. 394.5% 3.5p
Do. 395.5% 3.5p
Do. 396.5% 3.5p
Do. 397.5% 3.5p
Do. 398.5% 3.5p
Do. 399.5% 3.5p
Do. 400.5% 3.5p
Do. 401.5% 3.5p
Do. 402.5% 3.5p
Do. 403.5% 3.5p
Do. 404.5% 3.5p
Do. 405.5% 3.5p
Do. 406.5% 3.5p
Do. 407.5% 3.5p
Do. 408.5% 3.5p
Do. 409.5% 3.5p
Do. 410.5% 3.5p
Do. 411.5% 3.5p
Do. 412.5% 3.5p
Do. 413.5% 3.5p
Do. 414.5% 3.5p
Do. 415.5% 3.5p
Do. 416.5% 3.5p
Do. 417.5% 3.5p
Do. 418.5% 3.5p
Do. 419.5% 3.5p
Do. 420.5% 3.5p
Do. 421.5% 3.5p
Do. 422.5% 3.5p
Do. 423.5% 3.5p
Do. 424.5% 3.5p
Do. 425.5% 3.5p
Do. 426.5% 3.5p
Do. 427.5% 3.5p
Do. 428.5% 3.5p
Do. 429.5% 3.5p
Do. 430.5% 3.5p
Do. 431.5% 3.5p
Do. 432.5% 3.5p
Do. 433.5% 3.5p
Do. 434.5% 3.5p
Do. 435.5% 3.5p
Do. 436.5% 3.5p
Do. 437.5% 3.5p
Do. 438.5% 3.5p
Do. 439.5% 3.5p
Do. 440.5% 3.5p
Do. 441.5% 3.5p
Do. 442.5% 3.5p
Do. 443.5% 3.5p
Do. 444.5% 3.5p
Do. 445.5% 3.5p
Do. 446.5% 3.5p
Do. 447.5% 3.5p
Do. 448.5% 3.5p
Do. 449.5% 3.5p
Do. 450.5% 3.5p
Do. 451.5% 3.5p
Do. 452.5% 3.5p
Do. 453.5% 3.5p
Do. 454.5% 3.5p
Do. 455.5% 3.5p
Do. 456.5% 3.5p
Do. 457.5% 3.5p
Do. 458.5% 3.5p
Do. 459.5% 3.5p
Do. 460.5% 3.5p
Do. 461.5% 3.5p
Do. 462.5% 3.5p
Do. 463.5% 3.5p
Do. 464.5% 3.5p
Do. 465.5% 3.5p
Do. 466.5% 3.5p
Do. 467.5% 3.5p
Do. 468.5% 3.5p
Do. 469.5% 3.5p
Do. 470.5% 3.5p
Do. 471.5% 3.5p
Do. 472.5% 3.5p
Do. 473.5% 3.5p
Do. 474.5% 3.5p
Do. 475.5% 3.5p
Do. 476.5% 3.5p
Do. 477.5% 3.5p
Do. 478.5% 3.5p
Do. 479.5% 3.5

It is ironic, but just when capitalism has so clearly triumphed over communism, we are seeing Karl Marx's great dream come true in a way which he could never have envisaged.

In ten years' time, in most successful businesses, the workers will truly "own the means of production" because those means will be in their own hands and at their fingertips.

It is now widely accepted that by that date 70 per cent or more of the work that we do will require brain skills not manual skills, and when that happens, the cliché that our people are our greatest asset will acquire a hard financial reality.

That is when we will take notice. Already, many a business has a market value three or four times the worth of its fixed assets. To call the gap "goodwill" is to trivialise it. That gap is the market's estimate of the worth of the intellectual property in the business - not just its patent rights, brands and research in progress, but the skills, knowledge and experience of its people.

When Microsoft briefly topped the charts earlier this year, the New York Times commented that all there was to put your money on was "the imagination of the workers". No one can truly own that imagination except the workers themselves, and they can walk out of the door at any time.

The emerging importance of intellectual property, broadly defined, is going to change many things beyond recognition.

When every business that pursues higher added value thinks in terms of the financial service organisations, advertising agencies and consultancies already do, and seeks to turn its intellect into profit, what was of marginal importance will become commonplace.

Shareholders, for instance, can no longer be owners, in any real sense, of other people's brains, but only investors or, more accurately, backers. The short term will then, I imagine, feature even more, for who would take a long-term bet on an organisation built on the imagination of its workers?

The short term will also dominate the minds of individuals. Once they realise that they are the key assets of a business, they will be more determined than ever to build those personal assets and to take them wherever they will be most productive. Loyalty will be first to one's own career, then to one's profession and only thirdly to the employer.

More and more people will pursue "actors' careers", seeing life as a sequence of roles in projects, sometimes within one large organisation or hopping among several, or behaving as independents with a "portfolio" of roles.

Some will do this out of choice, seeing themselves as potential stars



BEYOND 2000

The intellectual organisation

What will companies be like in the next century? In the first of a three-part series this week, Charles Handy argues that the main challenge for employers will be keeping and motivating staff

In their bit of the world, others will do it of necessity, as organisations pick and choose talents for projects and discard the ones they don't need.

Large parts of organisations could ultimately become a collection of project teams, harnessing the intellectual assets around a task or an assignment, rather than a consultancy

At the beginning of this year the Royal Society for the encouragement of Arts, Manufactures and Commerce (RSA) challenged a number of British companies to take a fresh look at the role of business, its underlying purpose, how it operates, how its performance is measured and its role in society.

The original inspiration, according to the RSA, was a lecture by Charles Handy (see article above) entitled "What is a company for?"

The result was the establishment of the RSA's three-year inquiry - *Tomorrow's Company: the role of business in a changing world*

company or an advertising agency does now.

To the individual, the organisation will offer, not the promise of a planned career, but a series of opportunities which one's skill profile may or may not fit. All the world will then, in a sense, be a stage: a sequence of teams with a changing cast of performers, backed

- backed by 25 participating companies ranging from Cable and Wireless, Cadbury and Unipart to IBM, Manpower and National Westminster Bank. Their collective aim is to look at the issues from the perspective of different stakeholders - customers, suppliers, providers of capital, employees and community - and to try to develop a shared vision of the future.

At the same time a network of more than 400 interested individuals - drawn mainly from large and small businesses - was formed to assist the participating senior executives in their task. The RSA hopes to widen the

debate in mid-February when the inquiry team publishes its interim findings. The first major platform for discussing them will be at the Tomorrow's Company National Conference on March 17 at the West Yorkshire Playhouse in Leeds. This occasion will be an opportunity for the team to test its ideas in preparation for the final report, due to be published in 1995.

For further information on the RSA Inquiry call Anna Garey on 071-930-5115 and for information on the conference call Gay Webb on 0532-832890.

Tim Dickson

to find ways to bind to themselves the players on whom they can depend for the future.

Good conditions of work and employment will not be enough, for there will often be comparable ones around the corner. To be a "preferred employer" it will be necessary to make the vital staff into quasi-partners, with more share ownership and bonus schemes, so that they share the future of the organisation, good and bad, and to invest at the same time in the constant regeneration of their intellectual assets, despite the possibility that the regenerated assets will leave.

It would not be unreasonable, for instance, to expect to invest the traditional 10 per cent depreciation (or regeneration) allowance of both time and salary in the education and development of each individual.

Keeping staff is one thing, working them efficiently is another. Project leadership will become the key to corporate performance.

To build a cohesive team out of the requisite mix of different roles and talents is never easy, as any theatre director will confirm. Hierarchy cuts little ice with stars, for as their leader you have only as much power and influence as they allow you.

Leadership in the world of people assets draws its power from the people over whom it is exercised. It is a world where loyalty has to be earned from the individual, not demanded. Do all this, and there is more. A collection of project teams, no matter how well led and how well starred, is not in itself an organisation. These teams have to be welded together to give them the clout they need in the market.

The "intellectual organisation" needs to be both small and big, local and global, tight and loose. It needs, in short, to be federal.

Federalism is too little understood this side of the Channel and the Atlantic. It is always unfashionable in monarchical or oligarchical regimes because it is built on shared power, compromise and negotiation. Unfamiliar, unpopular and hard to make work, it is nevertheless the way all organisations are heading, because centrally-directed systems are too expensive, too often wrong, too restrictive and too imprisoning for the human soul.

When that human soul is your key asset, you have to give it head. To do that, and remain efficient, is the leading challenge facing our organisations.

The author has written many books on organisations and the future. His new book, *The Empty Raincoat*, will be published by Hutchinson in February.

Tomorrow: John Neill of Unipart. Friday: Peter Herriot of Sundridge Park Management Centre

A CV can be economical with the truth, warns Adrian Furnham

Learning to read between the lines

Years ago, CVs were dry, formal documents. Without much attention to either presentation style or self-aggrandisement, people simply reported their biographical details.

This quaint, unselfconscious approach has, in the same way as British party political broadcasts, been taken over by the ad men, the publicity gurus and the public relations people. Politicians have learned the meaning and virtue of the soundbite and the impression of the Italian suit versus the donkey jacket.

The US influence of "talking up" nearly all personal achievements means selectors must be pretty subtle when reading between the lines. Likewise, the general public are now offered the benefits of CV consultants to improve the way they come across. No life is too ordinary, no work history too boring, no pastimes too menial to be considered unworthy of the image treatment.

CV consultants are strangers whose job is to take the details of a rich, varied and complicated life and précis it into a carefully thought-out and laid-out page of A4. There are those who believe this is really money for old rope and they can happily, confidently and money-eagerly do it themselves. After all, they argue, they know the life history facts and the purpose of the CV best of all.

Psychologists call the task of CV consultants "impression management". It means quite simply "attempts to change, alter and shape the impression that others receive". Through variations in dress, vocabulary and possessions, we all try to create a favourable impression of ourselves to selected others. If we put too much effort at the job interview, it makes sense to spend as much, if not more, time and money on the CV.

As a consequence of the professional treatment, the most ordinary and ordinary individual with a frankly mediocre, even failed work history can look like a success. No one, it seems, can fail to benefit from the skill of the impression management professional. Read a peer's CV and the

way he or she describes a modest achievement or mundane duty, and one can see the benefits of being economical with the truth.

While this may be good for the job hunter, CV-manship certainly presents a problem for the selection and recruitment specialist. If all students are Einstein-like geniuses, all workers are productive Stakhanovites, and all entrepreneurs are neo-Bramsons, how can one distinguish between them?

There are three important clues in the modern CV. First, what is left out. Beware the CV which ignores or fudges chronological order: people may prefer to ignore long periods on the dole, a failed early career, an unwelcome start at one level. All sorts of important information may be omitted in the interests of the applicant.

Selectors should perhaps have a checklist of information they really need and obtain it from the applicant if the CV does not provide it.

Second, there are the grand generalisations. "My department had a £2m (£1.5m) budget" does not mean the applicant was in charge of it. "Co-ordinated and facilitated staffing issues" could mean anything.

Third, can the information be verified? The more difficult it appears to check, the more likely that it is a fudge. Beware the colonial experience where applicants held impressive-sounding jobs, even if they were genuine, in some far-flung outpost where their skin colour and ability to speak English ensured them senior positions. Names and addresses of organisations on the CV help a great deal.

The paradox of CV-manship is that there may well be an inverse relationship between the CV and person behind it. Over-egging the pudding - glossy brochures with career histories spanning several pages - suggests the cumulative attempts of desperate outplacement consultants. The greater the flourish, the more the prizes, the quicker the promotion - the more ordinary the individual.

The author offers a modest CV and is based at University College London.

THE WORLD'S FAVOURITE TEA

Sri Lanka exports more tea than any other country. A tribute to the efficiency and quality of Sri Lankan tea production.

Small wonder that Ceylon tea is sought after everywhere for its distinctive, rich yet mellow flavour.

And it's easy to find.

The Lion symbol on every pack of pure Ceylon tea is the world's guarantee of finest Sri Lankan quality.



1994 whether forecast.

Special New Year's Day edition, Weekend FT.

On Saturday, January 1 the Financial Times will publish a special issue of the Weekend FT, "News from the New Year" which looks at the year ahead.

Whether the world will prosper or flounder, whether we should gear up or batten down, and whether we will enjoy it or endure it.

It will also include everything you would normally expect from the Weekend FT: sport, property, travel, fashion, motoring, TV, food and drink, gardening, books and the arts.

So make sure you order your copy of the New Year's Day Weekend FT.

You never know what might happen, if you don't.

Weekend FT

مكتبة الامير

Television in 1993/Christopher Dunkley

Happily, some triumphs stick in the memory

Given that 1993 was the year when ITV went down the drain, and when the BBC was preoccupied with administrative tribulations - the agonies arising from "Producer Choice" and the government's attitude towards the licence fee, the position of the Director-General who was found to be neither on the BBC staff nor paying tax in quite the expected manner - it is astounding how many good programmes there were.

Of course boo boos, stummers and downright dogs appeared in the usual quantities. ITV piloted an Anglicised version of that inimitable American comedy *The Golden Girls* and, even though we told them that shifting the action to Sussex and trying to get people such as Wendy Craig to deliver New York wisecracks in Surbiton accents was a disaster, they persisted and made a series called *Brighton Belles*. Then, when it bombed, they had to pull it out of the schedules.

BBC2 mounted a live "animal watch" series called *Nightshift* in which the degree of wild-eyed enthusiasm from the presenters was in inverse proportion to the amount of activity among the animals. When the pitch of the voices approached that of hysteria it meant the foxes and badgers had gone to sleep, and you could safely switch off before the scene cut to some murky garden where nothing was happening. There was approximately the same amount of interest in what Channel 4 decided would be the next big spectator sport after darts (whatever happened to televised darts?) and sumo wrestling (whatever...). In the event, *World Chess: Short v. Kasparov* proved marginally less interesting than watching blanchance set.

Happily, however, it is mainly the pleasures and triumphs which stick in the memory, and although recent programmes come most readily to mind - in drama, for instance, *To Play the King* and *The Buddha of Suburbia* from the BBC and *Cracker* from ITV - you find when you go back through the lists that there have been treasures throughout the year. Staying with drama, Channel 4's *Lipstick On Your Collar* was not



'To Play the King': Ian Richardson and Michael Kitchen

Dennis Potter's best series, yet there were several set piece musical numbers including "Unchained Melody" and "Blue Suede Shoes" which I would happily watch over and over again.

The performance of Honey-suckle Weeks as 12-year-old Kitty in BBC2's *Goggle Eyes*, adapted by Deborah Moggach from Anne Fine's book, should win an award from somebody. She made the emotions of a child whose mother finds herself a new man vivid and touchingly funny. In *Lady Chatterley* on BBC1 one of the Redgrave clan, Joely Richardson, set a trend in getting her kit off which was followed later in the year by cousin Emma Redgrave in *The Buddha of Suburbia*. However, it was not so much the female nudity in *Lady Chatterley* which caused the fuss.

So many female viewers offered up hymns to Sean Bean's bottom, that they were rewarded in the autumn with a reprise when Bean stripped off again for *A Woman's Guide To Adultery* on ITV which wins the Dunkley Naff Drama Of

The Year Award. In 1993 political correctness was more evident than ever on British television, so it was a good job it was women ogling a male posterior and not the other way about. Unfortunately Ken Russell never found quite the right approach or tone for putting *Lady C* on television, so apart from the usual British fuss over the human body it turned out to be a non-event.

Once again there were very few original single television dramas, though late in the year BBC2 screened a "Performance" series offering several impressive examples of theatre plays, including Fiona Shaw's *Bedouin*. Among the few single dramas that did turn up, Roddy Doyle's adaptation of his own book, *The Snapper*, on BBC2 proved outstanding. Directed in Dublin by Stephen Frears it brought to the television depiction of Irish life a degree of humanity which is almost invariably missing from the Irish material we normally see on television.

Honours for the best British serial drama of the year must be fought out between Gran-

ada's *Cracker*, with Robbie Coltrane playing the drinking, flirting, gambling police psychologist; and BBC1's *Between The Lines*, also a police series, which so obviously stood out even though it did not manage to sustain the pace, tension, and overall brilliance of the opening series. It did still manage to combine splendid exterior entertainment with interior political and social snafus in a manner that is not often achieved on television, and very rarely beyond a single series.

The drama of the year, however, was not British but German. Having given us *Himmel* in 1992, a great pantomime of a series about several generations of life in rural Germany which you might have thought was a once in a lifetime effort, Edgar Reitz excelled himself this year with *The Second Heimat: A New Generation*. Presumably the longest finite drama series ever made for television - excluding soap operas, in other words - this extended to 13 two-hour episodes and told the story of modern Germany from the



'The Buddha of Suburbia': Naveen Andrews, Roshan Seth and Susan Fleetwood

early 1960s. It was intelligent, consistently well acted, charming, provocative, informative, occasionally infuriating in its dedication to modern music, and, once you were properly involved, utterly engrossing. In north west London viewers sought out cassettes of missed episodes with the passion of philatelists completing sets of stamps.

In another weak year for comedy the top series was, once again, *Have I Got News For You* on BBC2. Most memorable of all their episodes was that in which Roy Hattersley's place was taken by a tub of lard, a programme that proved, thanks largely though not wholly to Paul Merton, to be much funnier than the later programme when Hattersley finally turned up in person.

At the year's end only two brand new comedy series seem worth recalling: *Chef* on BBC1 with Lenny Henry playing, and occasionally over playing, a prima donna cook; and *Goodnight Sweetheart*, also on BBC1, starring Nicholas Lyndhurst as a television repairman who finds a time warp in

a London alleyway (it does not affect anyone else) and regularly travels back to a pub in the era of the London Blitz. Absolutely Fabulous would walk off with the laurels but for the fact that 1993 brought us only a repeat screening of last year's series. The second series will be with us in spring 1994, thank goodness. The failure of the new ITV companies to produce even a single nominee for "Best Situation Comedy" was rightly emphasised by presenter Jonathan Ross in this month's *British Comedy Awards*.

Once more the arts-and-culture series of the year was *Without Walls* on Channel 4 which has now succeeded in making all its competitors look old fashioned if not downright silly. From Rary Bremner on *Dance Edna* to a series on the effect of drugs upon the arts ("The Art Of Tripping"), from "Diana Sex Goddess" to the sociology of the Rolls Royce, the series has led the way and set the pace. BBC1's *Omnibus* gave us a marvellously mischievous programme from Kriss Rusmanis on the truth

about orchestral conductors; and the best single arts documentary of the year was Sheree Folkson's fascinatingly contrived investigation of Gertrude's painting, "The Raft Of The Medusa" in BBC2's series *Every Picture Tells A Story*.

The documentary prize must go to *Thatcher: The Dawning Street Years*, provided there is a separate wildlife category to allow an award for Attenborough's *Life In The Freezer*, a magnificent BBC1 series on Antarctica which, as Attenborough himself would be the first to concede, was made possible by a big team of astonishingly hardy and inventive film makers. The Thatcher programmes were unnecessary not merely because the title role was played with such ferocious gothicism, but because the series as a whole proved, perhaps for the first time, that as a tool of history television can be as useful as books. It may even be superior, once the history in question - as in this instance - enters the period for which we possess a huge archive of television news.

A special award for Striving

To Tell The Truth About Aids On Television Despite The Tunnel Vision Of The Industry's Politically Correct Agenda Setters, would normally go automatically to Joan Shenon of the independent company Meditel, the only person who, from the very beginning, has insisted on keeping a level head and publicising the evidence, even when it does not put haloes on homosexuals. This year, however, it goes to Barraclough Carey, another independent production company, which produced *The Plague*, a four-part series for Channel 4 surveying the entire history of Aids. The last programme rather let down the rest, allowing an instinct for compassion to overcome the necessary rigour of good journalism (it was weak, for instance, on the true incidence of Aids in sub-Saharan Africa, on the precise practices of the British haemophilic who is supposed to have given Aids to four women, and on the comparative global seriousness of the disease) yet the series was still such a powerful, admirable and extensive piece of work that it deserves the prize.

Speaking of good journalism, 1993 was the year when ITV carelessly and stupidly abandoned *This Week*, *First Tuesday* and *Viewpoint*, three series known for the seriousness of their approach and the high quality of many of their results. Having been told repeatedly by the new men (yes, men) in ITV not to wait for a golden post but to wait and see what was put in its place, we have now begun to see - and very depressing it is.

There is one spark of hope. The Discovery Channel has announced that, having shown a *First Tuesday* programme this month, it has now commissioned Yorkshire TV to continue the series throughout 1994. I must admit that when ITV began its systematic abandonment of grown up television it never occurred to me that the satellite channels might step into the breach. Let us hope it is the beginning of a major trend: it is high time satellite television ended its reliance on American, Australian and British repeats and began to put money into the origination of proper programmes.

No doubt that will take some time. Meanwhile it seems pretty clear that 1994 is going to be the BBC's year.

Jazz in 1993/Garry Booth

From New Orleans to synthesizers

Jazz fans have reason to be nostalgic and partisan: there really have been golden eras when new and groundbreaking talent queued for a hearing. In the 1930s, swing was the thing; in the 1940s, bebop burst onto the scene; in the 1950s the cool school opened, and in the 1960s and 1970s, free music and then fusion marked the extremes of commerciality. If the 1980s are remembered as the time bebop boomed again, alongside acid dance, what will the 1990s come to represent? A consolidation of world beat in jazz, the post-modernisation of bebop in the new chamber jazz or the return to basic principles?

Well, 1993 seemed to encapsulate the lot. From the septa-tinged New Orleans beginnings to the synthesised way ahead, the history of jazz was personified last year in the swinging Lionel

Hampton Orchestra, the retro-classical trumpet tones of Wynton Marsalis, the new world of improvisation in South African Bheki Mseleku and the young urban angst of New Yorker Steve Coleman. The annual migration to Europe of sax statesmen such as Sonny Rollins, Johnny Griffin and Jackie McLean kept the movement in context while the Five Blind Boys of Alabama, as well as Harry Connick Jr, reminded us that "jazz" can still deliver more fundamental pleasures.

Who will light the way in 1994? For this critic at least, a glow of pleasure lingers from saxophonist David Murray's summer visit. The tidal energy and burning ideas which powered the first night of *Wozzack*, in the production by Patrice Chéreau first seen last year in Paris. The cast is headed by Franz Grundheber and Waltraud Meier. La traviata returns on Jan 28 with June Anderson and Roberto Alagna (312-332 2244).

Chicago Symphony Orchestra's next concert is on Jan 6, when Daniel Barenboim returns to conduct the first of three programmes (312-435 6666).

Who continue to illuminate new fields of improvisation are Joe Henderson and Norwegian Jan Garbarek. Though one hovers warm and the other cold, they share the authority and inner peace which gives their different sounds an embracing sense of purpose.

For sheer excitement and exoticism, pianists like Don Pullen and Randy Weston set the standard for 1994. Weston, the beatnik's role model, continues to flick his rich weave of Afro-jazz with Middle Eastern colour, to intoxicating effect, as seen at the Royal Festival Hall. Even Ahmad Jamal, who once provided the airy framework for Miles Davis' early recordings, is finding a more dense style and the vaulted arches of the Union Chapel last spring teamed with the splintering chords and interlarding quotes borne by the surging Jamal pulse.

In contrast to the channelled exuberance of contemporary piano-led groups, the Paul Motian school of jazz has cultivated a kind of specky and earnest introspection. This has been most noticeable in guitar players, exemplified by John Scofield. Last year the young fogeys of jazz were gently teased by guitarist Bill Frisell's cranky dissection of American composers from Ives to Madonna at the Queen Elizabeth Hall. Back at the Union Chapel, as part of the new expanded London Jazz Festival, the jazz intelligentsia were exercised by the intricate workings of master guitarist Jim Hall, one of the most original yet underrated jazz musicians around today.

Thoughtful and reflective music like Henderson's and Hall's will characterise the 1990s - unless their minor scales are sidelined by the pianists.

Theatre/Malcolm Rutherford

An ultra-violet 'Peter Pan'

Some people may like *Peter Pan* at Sadler's Wells, though it should come with a warning. This is not Peter Pan with dialogue, wit, symbolism and a story that many of us admire. Nor is it the old Sadler's Wells that many of us remember with affection. Scarcely a monument to a better yesterday remains, save that the place is still in Rosebery Avenue. This is regimented, educational theatre backed by the London Arts Board with the help of Czechoslovakia.

Not the new republics of the 1990s, but the Czechoslovakia before the Berlin Wall came down and when it made sense to do things in mime because there was no guaranteed free-

dom of expression. The Black Light Theatre of Prague's production is interesting, if you have not seen the techniques before, for a few minutes because it has some clever staging and visual effects. The coffee cups float up and down, brightness falls from the air, the lighting is ultra-violet. It does not take long for sub effects to wear thin. If you can float ooe object, you can float another, and another, and make a crocodile crawl across the floor in lights. Twice is enough.

The Prague production makes the nearly always fatal mistake of seeking to combine too many art forms in one: dance, music, visual show-off while trying to tell a story. The

dance is sometimes pretty. The music is varied, but always banal - never fast enough to have feeling, never slow enough to have feeling: real old communist central Europe. The story is lost. The real Peter Pan has some very good lines and intriguing psychology. It ends with Mr Darling retreating into the kennel to which he had banished the dog on the night the Darlings went out to dinner. In the Black Light version this is omitted.

If you go to see, be sure to buy a copy of the programme, read it, keep it. In terms of pretentiousness, it is a collector's item.

Sadler's Wells Theatre until January 8. (071) 434 0909

INTERNATIONAL ARTS GUIDE

AMSTERDAM

Concertgebouw Tonight, Sun, next Wed: Hartmut Haenchen conducts Beethoven's Ninth Symphony. Jan 4: Aldo Ciccolini piano recital. Jan 6, 12, 14, 16: Gard Albrecht conducts Royal Concertgebouw Orchestra. Jan 8: Maria Joao Pires piano recital. Jan 11: Hilliard Ensemble. Jan 16: Mitsuko Uchida piano recital (020-671 8345). Muziektheater Tonight, Sat: Dutch National Ballet in the Ashton staging of Prokofiev's *Cinderella*. Tomorrow: Graeme Jenkins conducts Alfred Kirchner's production of *La traviata*, with Deborah Riedel as Violetta. Jan 5, 6, 7: Frankfurt Ballet presents William Forsythe's *A Loss of Small Detail*. Jan 12: first night of Pierre Audi's new production of Mozart's *Il re pastore* (020-625 5455).

ANTWERP

de Vlaamse Opera Monteverdi's *L'incoronazione di Poppea* opens on Jan 16 in a production conducted by René Jacobs, staged by Gilbert Deffo and designed by

William Orlandi, with Ann Panagoulas in the title role (03-233 6685). deSingel Christoph Eschenbach conducts the Orchestra of the Monnaie on Sun in works by Bernstein, Barber, Gershwin and Beethoven, with piano soloist Tzimon Barto (03-248 3800).

BASLE

Stadttheater A new production of Rossini's *Il viaggio e Reims*, conducted by Torsten Buldmann and staged by Markus Weber, can be seen tonight and Fri, also Jan 2, 7, 9, 10, 14, 15, 16 (061-295 1133). Casino Heinz Holliger conducts Basle Symphony Orchestra on Jan 6 in works by Mozart and Mahler, with soloists Ruth Ziesak and Jean Louis Stoumen (061-272 1176).

BORDEAUX

Ballet-Théâtre de Bordeaux presents a double bill at Palais des Sports tonight and Fri. *Die Fledermaus* opens at Grand-Théâtre on Fri, in a staging by Jérôme Savary (5648 5854).

BRUSSELS

Monnaie Christoph Eschenbach conducts an orchestral concert on New Year's Eve featuring works by Bernstein, Barber, Gershwin and Beethoven. The next opera production is Jonathan Harvey's *Inquest of Love*, opening on Jan 23 (02-218 1211).

CHICAGO

Chicago Lyric Opera presents

Il trovatore on Jan 3, 7, 11, 15, 19 and 22, with a cast led by Lyubov Kazarnovskaya, Chris Merritt, Dolores Zajack and Paolo Gavanelli. Daniel Barenboim makes his Lyric Opera debut on Jan 24 conducting the first night of *Wozzack*, in the production by Patrice Chéreau first seen last year in Paris. The cast is headed by Franz Grundheber and Waltraud Meier. La traviata returns on Jan 28 with June Anderson and Roberto Alagna (312-332 2244).

Chicago Symphony Orchestra's next concert is on Jan 6, when Daniel Barenboim returns to conduct the first of three programmes (312-435 6666).

COPENHAGEN

Royal Theatre The Royal Danish Ballet has a new production of *The Sleeping Beauty*, with choreography by Hjalmar Tegner based on Petipa. It continues in repertory with *La bohème* and Menotti's *Amahl and the Night Visitors*. There will be a concert at 5pm on New Year's Eve, and the Norwegian Ballet gives guest performances on Jan 6 and 9 (3314 1002).

LAUSANNE

Théâtre Municipal Offenbach's *La belle Hélène*, staged by Jérôme Savary and conducted by Jean-François Monod, opens on Jan 2, 5, 6, 8 and 9 (021-312 6433).

LYON

Maguy Marin's production of Prokofiev's ballet *Cinderella* can

be seen tonight, tomorrow and Fri at the Opéra (7200 4545). Valerie Masterson is soprano soloist in a New Year's Eve Viennese concert at the Auditorium (7860 3713).

MARSEILLE

Opéra Offenbach's *Orphée aux enfers* can be seen tonight, tomorrow and Fri, with a cast including Ghislaine Raphael and Tibère Raffalli (9155 0070).

SALZBURG

MOZARTWOCHE A Mozart festival takes place at the Mozarteum and Grosses Festspielhaus from Jan 21 to 30. The orchestral concerts feature Concerto Köln, the Mozarteum Orchestra and the Vienna Philharmonic under Manfred Honeck. Michael Gielen and Sándor Végh. Piano soloists include Maria Tijo and Mitsuko Uchida. Andreas Schiff will give two recitals and take part in two chamber music performances. The Hagen Quartet will give the world premiere of a new work by György Kurtág (tel 0682-873154 fax 0682-872956).

VIENNA

MUSIK Musikverein The Vienna Philharmonic Orchestra's New Year concerts will be conducted by Lorin Maazel (505 6197). Staatsoper Tonight, tomorrow, next Tuesday: Nutcracker. December 31, January 1: *Die Fledermaus* with Karita Mattila and Hermann Prey. January 2, 7, 10: Les Contes d'Hoffmann with Plácido Domingo,

Bryn Terfel and Heinz Zednik. January 3: Salome with Gwyneth Jones. January 5: La traviata with Julie Varady (51444 2955). Konzerthaus Friday, Sat: Rafael Friberg conducts the Vienna Symphony Orchestra and Chorus in Beethoven's Ninth Symphony. January 8: Anne Sofie von Otter. January 12: Francisco Araiza. January 30: Midori (712 1211).

THEATRE

A new production of Brecht's *Caucasian Chalk Circle*, directed by Ruth Berghaus, has joined the Burgtheater repertory (51444 2218). The Akademietheater has David Mamet's *Glenn and Maxim Gorki's Children of the Sun* (51444 2959).

WASHINGTON

MUSIC/DANCE ● Washington Opera is in residence at Eisenhower Theatre with *La fille du régiment*, Ariadne auf Naxos and the world premiere of Dominick Argento's *The Dream of Valentino*. The Donizetti, sung in English with a cast led by Tracy Dahl, can be seen on Jan 2, 9, 18, 20, 24, 28, 29, Feb 1 and 4. The Strauss, conducted by Heinz Fricke with a cast including Rachel Gelfer, Jon Frederick West and John Shirley-Quirk, opens on Jan 8, repeated Jan 10, 16, 19, 22, 25, 31, Feb 3, 6, 10 and 12. The new Argento work opens on Jan 15 (202-487 4600). ● A programme of music by 14th century French composer Guillaume de Machaut can be heard at Washington National Cathedral on

January 7 and 8. The programme will feature the Philadelphia Renaissance Wind Band and vocalists Peter Becker, Drew Minter and Mark Bleeker (202-544 7077).

THEATRE

● The Will Rogers Follies: the Tony Award-winning musical, choreographed by Tommy Tune and starring Mac Davis, runs daily except Mon till Jan 30 (Kennedy Center Opera House 202-467 4800). ● Julius Caesar: a Shakespeare Theatre production. Till Jan 9 (Lansburgh 202-393 2700). ● Cats: Trevor Nunn's production of the Andrew Lloyd Webber musical. Till Jan 6 (National Theatre 202-628 6161). ● Alice in Wonderland: new stage production of Lewis Carroll's classic fantasy for children (Kennedy Center 202-467 4800).

ZURICH

Opernhaus Tonight, next Thurs: Salome with Inge Nielsen. Fri: Il barbiere di Siviglia with Agnes Baltsa. Sat: Der Rosenkavalier. Sun: Manfred Honeck conducts first night of Hans Hollmann's new production of *Andrea Chenier*, with a cast led by Francisco Araiza, Gabriele Benackove and Giorgio Zancanaro (repeated Jan 5, 8, 15, 20, 23, 28, 29, Feb 3). Next Tuesday and Friday: Bernd Stenert's choreography of Glazunov's *Raymonda* (01-262 0508). Tonhalle Fri: Sketch Henderson hosts a programme of music by Gershwin, Weill, Lloyd Webber and others. Jan 5: Britten's *War Requiem*. Jan 15: Simon Estes sings spirituals (01-261 1600).

ARTS GUIDE

Monday: Berlin, New York and Paris.
Tuesday: Austria, Belgium, Netherlands, Switzerland, Chicago, Washington.
Wednesday: France, Germany, Scandinavia.
Thursday: Italy, Spain, Athens, London, Prague.
Friday: Exhibitions Guide.
European Cable and Satellite Business TV (Central European Time)
MONDAY TO FRIDAY
Super Channel: European Business Today 2230; repeated 0630, 0715
MONDAY
Super Channel: FT Reports 1230.
TUESDAY
Super Channel: West of Moscow 1230
EuroNews: FT Reports 0745, 1315, 1545, 1845, 2345
WEDNESDAY
Super Channel: FT Reports 1230
THURSDAY
Super Channel: West of Moscow 1230; FT Reports 2130
EuroNews 0745, 1315, 1545, 1845
FRIDAY
Super Channel: FT Reports 1230
Sky News: FT Reports 2030
SATURDAY
Sky News: 0330, 1330
SUNDAY
Super Channel: FT Reports 2230
Sky News: FT Reports 1730; 0430

Most visitors to EuroDisneyland over the holiday period are there to see Mickey and Minnie Mouse capering around the gigantic Christmas tree. Not Alice Ross.

Mrs Ross is a woman with a mission. She is an accountant from Delaware, in the US, and an investor in Walt Disney, the US entertainment group. Disney has seen its shares fall sharply this year, owing to the losses it has incurred on its 49 per cent stake in Euro Disney, the struggling leisure company that operates the EuroDisneyland theme park. Mrs Ross was spending two days at EuroDisneyland to see what the problem might be.

"My Disney stock has been sinking like a stone because of this place and, as I'm over in France, I thought: 'Why not rub a little salt in the wound?'" she said. "I'm looking into everything. Disney holds its annual shareholders' meeting in Delaware. I'm going to tell Mike Eisner [the Disney chairman] what I think."

A belligerent shareholder such as Mrs Ross is only one of the problems plaguing Mr Eisner and his colleagues. They will spend the festive season putting the finishing touches to the proposals they will present next month to Euro Disney's creditors. They hope to persuade the banks to save the company from collapse by agreeing to restructure its FF23.3bn (£2.3bn) net debt. The US group has warned the banks that, unless the restructuring is completed by March 31, Euro Disney, which reported a net loss of FF6.3bn

Cold comfort park

Euro Disney is hoping for a happier new year, says Alice Rawsthorn

for the year to September 30, will be forced to close.

In the meantime, Euro Disney is hoping for a repetition of last Christmas, when EuroDisneyland was buoyed by a surge of visitors.

More than 30,000 people visited the theme park on New Year's eve: well below the record of 90,000 in September last year, but much better than its low of 5,000 one day last January. A successful Christmas and new year would not only help to ease the strain on Euro Disney's cashflow, but would also act as a timely demonstration to the banks that it might be worth saving.

EuroDisneyland's employees have done their best to deck it out in festive finery. Ivy bells dangle from the lamp posts. Mickey and Minnie Mouse skate across the Hotel New York ice rink. The strains of Christmas muzak are piped all over the park. Even the barber shop quartet in the Main Street shopping arcade has ditched

its usual repertoire in favour of carols. At 5pm each day one child is chosen to light the 20-metre Christmas tree.

The decorations alone had been enough to tempt Corinne Jilili, a public relations executive from Angoulême in western France, to bring her four-year-old son. "The park looks so pretty at this time of year," she said. "We'd rather come in the winter, when we don't have to queue to get on the rides."

Werner Müller, an engineer from Hamburg visiting with his six-year-old twins, agreed. "Friends who came here in August had to queue for two hours just to get on the ride," he said. "At this time of year the kids don't have to wait too long, just as well given the weather."

"The cold was already proving too much for other visitors. 'It's freezing,' said Willi Ramstein, an Italian architect, who had come to the park during a business trip to Paris. "The park's great, but the weather's terrible."

Jane Pritchard from south Wales said: "You'd think they'd sell warm hats in this weather." Her companion added: "Never mind, we'll go to the Florida park next time."

"It's sunny there."

The souvenir shops were packed with festive memorabilia - a Winnie the Pooh Christmas stocking for FF125, a Mickey Mouse Santa hat for FF20 and a Disney beanie for FF29 - but no woolly hats.

As for Mrs Ross, her mission had only just started. But on her first impressions, she seemed to agree with the other shivering visitors. "They should have built this place somewhere warmer."

EU confidence is weak but, Germany apart, Europe's internationally competitive



It is easy to be gloom about Europe. Overall output in the continent's 19 advanced industrialised countries is thought to have fallen this year for the first time since 1975.

Western Europe's jobless total is rising inexorably. The Organisation for Economic Co-operation and Development in Paris forecasts that 22m, or 11.5 per cent, of the region's labour force will be out of work in 1995. Unemployment, now about 10.7 per cent, has more than doubled in the 18 years since the first serious recession of the postwar years.

Business and consumer confidence is weak. For most, the long upsurge of prosperity of the 1980s is a distant memory. So is the age of political miracles that brought the fall of the Berlin Wall and the collapse of communism just four years ago.

With few exceptions, Europe's political leaders appear exhausted. Their governments are deeply unpopular and, saddled with rising budget deficits, incapable of pump-priming economic recovery.

Yet 1993 may turn out to be the year in which Europe's fortunes turned. Although it will be remembered for recession, currency crises and lengthening queue lines, 1993 is ending more positively for the members of the European Union and their immediate neighbours.

The economic fundamentals have improved. More important, the sense of drift has stopped. Businesses, governments and the European Commission have woken up to the remorseless increase in competition worldwide. Britain's tough budget this year, the "Standard Deutschland" debate in Germany and the Bonn government's subsequent conversion to the doctrine of more work and less leisure, plus the Commission's white paper on

Peter Norman says there is reason to believe that European economies are bouncing back

Tide of gloom starts to ebb

Growth, Competitiveness and Employment, are symptoms of a change of mood.

More telling is what is happening in businesses in the UK and on the continent. Companies are becoming leaner and meaner. The spectre of competition from the newly industrialising countries of east Asia has made the US practice of "downsizing", with heavy job losses, respectable to Europe. Trade unions are for the most part quiescent and in some cases willing to aid management rationalisation operations.

This month's boardroom clear-out at Metallgesellschaft, the German industrial conglomerate, after the discovery of large losses, was novel in its ruthlessness. Even the long-running and baffling business soap opera concerning an allegation of theft and industrial espionage against Mr José Ignacio López de Arriortúa, the Volkswagen group production director, began with a serious purpose when VW sought out the former General Motors director to push through a cost-cutting revolution within the group.

Such trends are sure to intensify once this month's Uruguay Round accord to liberalise world trade comes into force. The agreement, even before ratification, could act as a spur to companies to invest and rationalise.

Over time, the Gatt accord should promote growth, with Europe standing to gain more

than most other regions of the world from freer trade. Computer simulations from the OECD suggest that the Uruguay Round will add at least \$270bn to 1991 prices to world income in 2002. The European Union's share is estimated at \$71bn, equivalent to 1.7 per cent of the region's gross domestic product, while that of the European Free Trade Association (Efta) countries is put at \$38bn or 6 per cent of regional GDP.

The real benefits should be greater. Such computer calculations take no account of the increased business confidence that should flow from freer trade or the fact that this month's accord has been felicitously timed after so many years of delay and frustration.

Several European economies have performed unexpectedly well in recent months. Britain's recovery is firmly established. German gross domestic product grew in the third as well as the second quarter. France appears to have touched bottom. Trends in smaller economies such as Austria, Switzerland, Ireland and Denmark have been encouraging.

The charts, showing relative unit labour costs in manufacturing, illustrate how several big European economies (Germany is an exception) are more competitive internationally than they were a year ago,

while Japan has suffered a substantial set back.

Short and long-term interest rates have fallen over the past year as the Bundesbank has cautiously eased its monetary policy. The German "repo rate" is at 6 per cent compared with 9.75 per cent in September 1992, just before the first European monetary crisis, which resulted in the exit of sterling and the lira from the exchange rate mechanism. Since then, UK and Italian short-term rates have roughly halved. France's short-term borrowing costs have fallen close to German levels from about 14 per cent to the 1992 currency crisis and 9 per cent in late July this year before speculative flows forced the August decision to widen the system's fluctuation margins to 15 per cent.

Inflation in Europe is low, with the OECD projecting a deceleration for its European members, excluding Turkey, to an average annual rate of 2.3 per cent by the end of 1995 from about 3.1 per cent at present. Oil prices have fallen in terms to levels last seen before the first oil shock of 1973. Large gaps between potential and actual output in countries such as Italy, France and the UK suggest that home-made labour market pressures will remain subdued.

To be sure, there are risks. Given the political instability of the Middle East, only the brave would bank on oil prices remaining at their present low

levels of less than \$15 a barrel. In spite of the past year's falls in nominal interest rates, real rates are relatively high. Some of the optimism that propelled European equity markets to new peaks this month could evaporate if German inflation proves more stubborn than expected and the Bundesbank slows its cautious rate-cutting policy.

In some countries, tighter fiscal policies to combat swollen budget deficits could weaken recovery. German GDP is widely expected to fall again in the first half of 1994 as benefit cuts, higher petrol taxes, a wage freeze for civil servants and increased pension contributions take DM50bn from consumers. In Britain, voters have reacted less positively than financial markets to Mr Kenneth Clarke's November Budget, which, with that of Mr Norman Lamont in March, will cost taxpayers a cumulative £15bn to £17bn to three years.

The fiscal legacy of the recession years in most countries, heavy indebtedness in the UK and Scandinavia, the continuing need for businesses to restructure to stay competitive, and consequent high unemployment will make for a joyless recovery. There will not be much of a "feel good" factor in Europe in the years ahead.

Europe will seem to many of its citizens to be in recession long after growth has returned, posing a real threat to incumbent governments. Germany, Italy, the Netherlands and Sweden go to the polls next year and political upheavals cannot be ruled out.

But looking beyond 1994, there is a good prospect of steady, if unspectacular, growth over a prolonged period with low inflation. Western Europe may even be moving into what future generations will call a "golden age". But it could take many years before it feels that way to its inhabitants.

Paris pales besides Tokyo

We have been to EuroDisneyland and to Tokyo Disneyland. The weather was good for both visits, but it is easy to see why the French one is in trouble. Queues are one thing. At EuroDisneyland, men barge and climb over barriers. Two hours is not an unusual queuing time. In Tokyo, queues are shorter because everyone waits their turn properly. EuroDisneyland needs more staff.

Getting food at Tokyo Disneyland is much easier and there is a bigger choice, including kebabs and rice and sushi. Once in EuroDisneyland, we went to get some tea

and the queues were not moving. Our dad went to look at the front. No one was serving. So we went to another cafe. We do not think pickpocketing is such a problem in Tokyo. In EuroDisneyland, we were in a 90-minute queue for Pirates of the Caribbean and our mother thought she felt somebody touching her pockets. She turned round and the lady behind said: "It's just me." But mum was sure she was a pickpocket. The staff said that it just happens and that they were not going to do anything about it.

In Tokyo, the staff smiled and gave us toys and sweets. The staff did not smile very much at EuroDisneyland.

We think Tokyo Disneyland is cleaner. In EuroDisneyland, the boats in It's a Small World had mud to them.

There is more space in Tokyo Disneyland, 204 acres against 136 acres to EuroDisneyland. We thought they were equally crowded, but Tokyo felt emptier because everybody was polite.

We think Tokyo Disneyland is more enjoyable to visit, because we were better treated there.

Laura and Sophia Dawkins

Laura (10) and Sophia (8) moved from Paris to Tokyo in September.

WHERE TO WATCH THE FT THIS WEEK

MONDAY

06:30 European Business Today†
07:15 European Business Today†
12:30 FT Reports†
22:30 European Business Today†

TUESDAY

06:30 European Business Today†
07:15 European Business Today†
07:45 FT Reports*
12:30 West of Moscow†

13:15 FT Reports*

15:45 FT Reports*

18:45 FT Reports*

22:30 European Business Today†

23:45 FT Reports*

WEDNESDAY

06:30 European Business Today†
07:15 European Business Today†
12:30 FT Reports†
22:30 European Business Today†

(If viewing in the UK deduct one hour.)
KEY • Sky News † Super Channel
* Euronews

FINANCIAL TIMES
TELEVISION
EDITORIAL

Tel: +44-81-614-2800 Fax: +44-81-614-2571

THURSDAY

06:30 European Business Today†
07:15 European Business Today†
07:45 West of Moscow*
12:30 West of Moscow†
13:15 West of Moscow*
15:45 West of Moscow*
18:45 West of Moscow*
21:30 FT Reports†

New World Disorder? We look back over the political developments of 1993, and examine their implications.

22:30 European Business Today†

FRIDAY

06:30 European Business Today†
07:15 European Business Today†
12:30 FT Reports†
20:30 FT Reports*
22:30 European Business Today†

SATURDAY

03:30 West of Moscow*
13:30 West of Moscow*

SUNDAY

17:30 FT Reports*
22:30 FT Reports†
04:30 FT Reports*

INDEPENDENT TELEVISION
SALES INTERNATIONAL
ADVERTISING

Tel: +44-71-873-4281 Fax: +44-71-873-3928

LETTERS TO THE EDITOR

Number One Southwark Bridge, London SE1 9HL

Fax 071 873 5938. Letters transmitted should be clearly typed and not hand written. Please set fax for finest resolution

'Fiddles' in jobless statistics

From Dr John Wells.

Sir, The revised line in official unemployment statistics, which shows a fall in unemployment in recent months, has enabled government spokesmen to rubbish all talk of administrative fiddles, which greeted the initial downturn in unemployment in March. Such "fiddles" could result from the targets set by the employment service in respect of both inflows on to and outflows from the claimant count.

Food for thought, however, is provided by the recently published results of this summer's household-based labour force survey, which estimates unemployment using an entirely different approach based on internationally agreed guidelines. The so-called International Labour Organisation unemployed are those without a job, who were available to start work during the two weeks following their LFS interview and had looked for work during the previous four weeks. One result is that ILO unemployment, seasonally adjusted, rose between spring and summer, when claimant unemployment was falling.

Of even greater interest is the divergent movement in the two components of ILO unemployment. The number of ILO unemployed claimants (those unemployed on both definitions) has fallen by the same extent as the official claimant count. On the other hand, the numbers of ILO unemployed non-claimants - those who are ILO unemployed but are eligible for benefit - rose by 130,000 between spring and summer. Although these figures are not seasonally adjusted, ILO unemployed non-claimants now stand at 1.08m - the highest since the series began in 1983.

The divergent behaviour of these two components of ILO unemployment may mean that it is premature to dismiss talk of administrative fiddles affecting the value of the claimant count either as an indicator of labour market performance or as a measure of social welfare. John Wells, faculty of economics and politics, University of Cambridge, Sidgwick Avenue, Cambridge CB3 9DD

Blueprint for local government

From Mr Martin Eastel.

Sir, Contrary to the assertion in your leader, "Local difficulties" (December 22), the Local Government Commission has recommended many of the structures that your leader supports.

Thus, you argue for the retention in "much of England outside the conurbations" of the two-tier system. We have recognised this in many of the largely rural areas of the counties we have reviewed so far.

You also support the principle of single unitary authorities for the larger cities. So does the commission, provided the wider strategic issues concerned continue to be seen

within a framework of a structure plan which encompasses the wider surrounding area, which is the case both in Middlesbrough and Bristol. The commission does indeed undertake systematic and objective opinion research, to help determine local feelings of communities, and to help gauge reaction to its draft recommendations. It has also received many thousands of other representations. We are obliged by our guidance from the secretary of state to "take into account people's expressed preferences". This we have done. There is no national blueprint.

Clearly it is not possible in a review of this kind to please

everyone. In particular, there is a need on the part of all those concerned to think ahead and to determine a structure which will ensure that local government in the future meets the needs of the community in such a way that many of the functions now undertaken by quangos may instead become the responsibility of local authorities with clear accountability for the way they carry them out.

Martin Eastel, Local Government Commission for England, Dolphin Court, 10111 Great Turnstile, Lincoln's Inn Fields, London WC1V 7JU

Plug standard claims need investigating

From Mr Simon Hossack.

Sir, As the "Individual" referred to in Mr J Davidson's letter (December 7) concerning the adoption by the UK of the harmonised plug and socket system being proposed by Cenelec, the European standards setting body, I would like the opportunity to respond.

I am not, as he stated, in disagreement with the whole of the electrical industry in the UK - only a particularly vocal part of it. The proposed new Cenelec system is not dangerous, is compatible with the British 13 amp system, and the Royal Society for the Prevention of Accidents most certainly cannot be considered "truly independent" given the fact that its electrical safety consultant also works for the UK's largest and best-known manufacturer of moulded 13 amp plugs and cordsets.

British manufacturing industry will not be "severely disadvantaged"; indeed the UK plug manufacturers' own trade association, Elema, supports har-

monisation based on an unfused 16 amp MK design which would also require the demise of the "ring-main" - and cost just the same as the Cenelec proposal.

The British consumer will not face an astronomical bill for replacing all plugs and sockets - in fact, the introduction of the new system will potentially save UK consumers hundreds of millions of pounds every year.

To state that the "British 13 amp system" is "probably the safest in the world" is misleading - as anyone who has read the Department of Trade and Industry's consumer safety accident reports relating to plugs can attest. These reports clearly show that of all the accidents involving plugs in the UK, the single greatest cause (nearly 60 per cent) is the physical size and fundamental design of the 13 amp plug itself.

Indeed, only a couple of years ago a highly respected ex-director of Mr Davidson's

own company, MK, told me that "nobody in their right mind would subscribe to a fused plug".

Clearly someone has got their facts very badly wrong. Accordingly, I ask both Mr Davidson and Mr Dosssett, of Elema, to join me in asking any shareholder or director of any company with an interest in or around this area, and who is concerned about that company's future, to ask for an immediate investigation by the Office of Fair Trading and the European Commission's competition directorate DG IV, into the veracity of all the various claims and counter-claims that have been circulated.

I suspect that the threat of a fine of up to 10 per cent of their companies' gross annual turnover should concentrate wonderfully the minds of those currently engaged in exaggeration of the facts.

Simon Hossack, Here Street, Buntingford, Hertfordshire SG8 0EA

Faulty assumptions about Turkey's attitudes

From Mr Osman Streeter.

Sir, David Gardner may be right in his assessment of Theodoros Pangalos and the Pasok government in Greece (The FT Interview, December 22). But when he crosses the border into Turkey, he makes assumptions which are either untrue or out of date. The latter is certainly the

case where he talks of Turkey aspiring to membership of the European Union. Turkey is now ambivalent in its attitude to the Union, not only because of its growing role in central Asia but also because the EU is in many ways doing more for Turkey by way of apology for keeping Turkey out than it would if it allowed Turkey in.

As for "historic Greek-Turkish enmity", there is no such thing - in Turkey. Many a traveller has commented on the absence of any anti-Greek sentiment in Turkey, and contrasted it with the outpourings of anti-Turkish bile in Greece. Osman Streeter, Savile Club, 89 Brook Street, London W1

مكتبة الادب

FINANCIAL TIMES

Number One Southwark Bridge, London SE1 9HL
Tel: 071-873 3000 Telex: 922186 Fax: 071-407 5700

Wednesday December 29 1993

Another fudge from Tokyo

The Japanese government looks as if it has failed to grasp the seriousness of what has become, by some measures, the country's worst recession since the second world war. After 32 months of economic slowdown or decline, the economy has failed to respond to record low interest rates and a record low rate of public credit spending packages. A credit squeeze is under way and several private sector economists fear a deflationary spiral.

The latest batch of economic measures from Mr Morihiro Hosokawa's government, delivered just before Christmas, offers only a vague restatement of earlier promises to cut income tax and red tape. This reflects the prime minister's difficulties in keeping a fragile coalition together. Yet, the government will prolong the recession and shorten its own life - unless it turns to more courageous solutions.

Poor implementation is part of the reason why current policies are failing to work, but only a small part. The Bank of Japan has been too slow to cut interest rates, due to its wish to make sure that the bubble of the late 1980s has been fully deflated, while the local government has dragged its heels in implementing infrastructure projects, not least because officials fear attracting the attention of public prosecutors by letting contracts to companies with which they have had previous contact.

But the real problem is that government, along with the business establishment, has addressed only the symptom of Japan's economic malaise, weakness of demand. The underlying problems are a credit squeeze caused by the collapse in asset prices during the recession and the structural overcapacity built up in Japan's maturing industrial economy over the past decade or so. The car industry alone admits to overcapacity equivalent to the entire car market of Britain or France.

Bad debts

In the two years to the end of 1992, the Economic Planning Agency calculates that stock and land prices fell by a total of ¥11,574bn (\$5,560bn) - a collapse likened by one Tokyo economist to the effects of a war. This has saddled banks with mounting bad debts from dud property deals and

weakened their own reserves, much of which are made up from unrealised equity profits. What Japan therefore needs is aggressive action to improve corporate profitability and the supply of credit. Unfortunately, many of the largest companies' markets are so mature that the only way to improve profits is to reduce break-even levels, which means wholesale job cuts. The job reductions and transfers so far have been small, and in many cases have had the effect of merely shifting costs from parent companies to subsidiaries. The state's guiding hand is still so strong in the private sector that companies are unlikely to do more without a government push. There are no signs of this.

State assistance

On credit, the banking industry has made great progress in writing off the bad loans exposed by the recession and in letting hopeless cases die naturally. But bad debts are still building up faster than write-offs.

Here, the US experience in dealing with its savings and loans crisis shows the way. The weakest banks need state assistance, in the form of cheap credit at the official discount rate from the Bank of Japan. Encouragingly, this idea yesterday won the support of the Japan Renewal party, which sets the tone for the ruling coalition's economic policy.

On top of this, the government should make it practical for banks to securitise bad loans. The Bank of Japan has dropped its former caution on securitisation and even the conservative finance ministry is now studying the idea. The government is also, sensibly, less keen than the LDP on using public savings to support the stock market and hence banks' capital ratios. So there is hope for progress on credit.

Politically, however, the signs are far from reassuring. The coalition is lurching into the new year in such a divided and fragile state that it looks incapable of delivering firm policy. Dithering over the economy has already cost Mr Hosokawa 10 percentage points in the public opinion ratings, but at 80 per cent, he still has a strong mandate. It would be a pity if it took a deeper crisis to provoke action.

Europe's new monetary forum

At a season associated with the arrival of wise men, the establishment of a new institution to supervise European monetary arrangements might be heralded as a sign of hope. The European Monetary Institute is being formally set up on January 1 as part of the European Union's so-called "second stage" of progress towards economic and monetary union. By concentrating on a few necessary tasks, firmly defined by governments and central banks, the EMI can improve the prospects for successful monetary integration.

Conceived as an embryonic European central bank, the institute will have to lower its sights from the ideas that inspired its creation. An important priority will be to improve co-ordination within the present European Monetary System, which is a long way from carrying out its original and still badly needed function of providing a stable exchange rate environment for European business.

In view of the EMS disturbances since autumn 1992, along with other setbacks to the Maastricht timetable for a single currency, the gestation period for the new monetary body has been highly problematic. Because of delays in deciding to place the institute in Germany, the EMI will not even be able to move to a permanent home in Frankfurt before the summer.

Harmonisation drive

The task of Mr Alexandre Lamfalussy, the EMI's designated president, will thus be to assemble a staff of statisticians and economists, rather than to wield power. This does not mean that the EMI will have to do anything. First, it will have to accomplish detailed technical work to prepare

for the harmonisation of monetary statistics and money market instruments that forms an essential precondition for ERM. If the harmonisation drive leads to an increase in efficiency of different countries' monetary systems, then the benefits would extend beyond making ERM more viable.

Second, the EMI can provide a forum for general debate on European monetary matters. Mr Lamfalussy sees the need to uphold the consensus on the desirability of ERM, but he also has the experience and independence to speak plainly about the burdens that lie in its path. He will be helped in his task of nurturing public understanding of Europe's unhealthy secretive central banking system, if the EMI is required to publish detailed minutes of its monthly meetings of central bank governors.

Vital arbiter

Third, in a less high-profile role, the EMI president can function as an arbiter, providing advice and assistance to member countries. The misunderstandings and mismanagement evident during the monetary system flare-ups in September 1992 and July-August 1993 could have been lessened had an intermediary been on hand to adjudicate between countries pursuing different monetary priorities, or even to ensure that rival positions were clearly communicated and understood.

After the ups and downs of the past 17 months, it seems still more likely than before that ERM, if it takes place at all, will be reached first by a relatively small group of countries willing to combine a lasting political commitment to ERM with a readiness to gear their monetary policies to Germany's. If monetary convergence stops short of ERM, the task of managing that process will require expertise and sensitivity of the highest order.

Creating a new institute will not, by itself, solve Europe's monetary problems. But if it can successfully combine the roles of trouble-shooter and think-tank, the EMI will have a good chance of bringing Europe closer to objectives that individual central banks are incapable of fulfilling. It is a welcome addition to the institutional landscape of the European Union.

Thirty years ago, in John Kennedy's time, about three-quarters of the American public had an underlying faith in their national government to get things broadly right. Today that proportion is barely more than one-fifth. Cynicism has even grown over the past year. When Bill Clinton became the 42nd president of the United States, over 70 per cent were confident that he could bring about at least some of his promised "change" to the governance of the country. After one of the busiest and most legislatively successful first years in two generations of presidents, only a little over half could say they had seen "change".

If public opinion was all that mattered - and it does matter a lot to a president with sensitive populist instincts - then Mr Clinton would, at best, be enjoying a mixed Christmas. His own ratings have been rising again on the back of an improving economy and big victories in Congress such as on NAFTA, but are still modest enough by historical standards. Just when it seems the country is becoming more comfortable with him, he is dogged by stories, many of them old, wild and politically motivated, that his private and financial life has been less than pristine. The convenient silence that masked what presidents Roosevelt and Kennedy did in their spare time has been replaced by an inquisitive public cacophony.

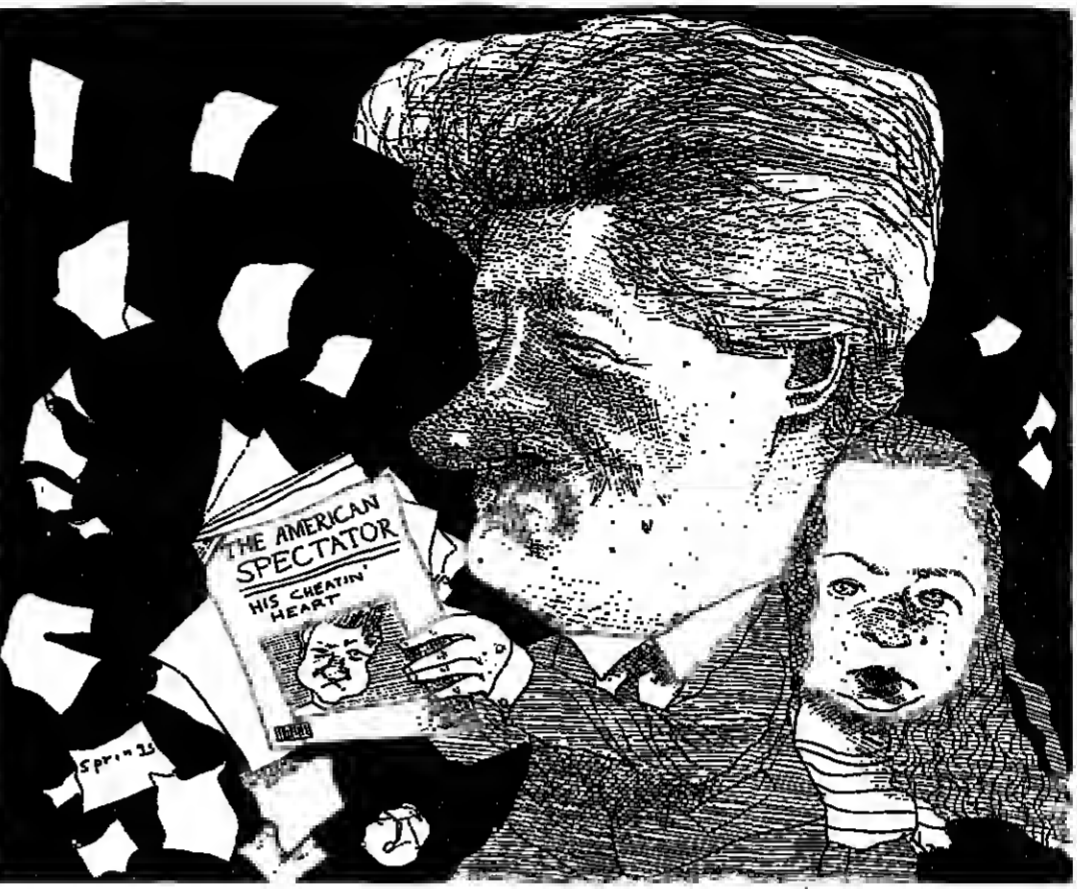
For the record, these charges, by state troopers and old political enemies in Arkansas, are that sexual liaisons were arranged for him while he was governor, and possibly afterwards; that his wife, Hillary, had an affair with Vincent Foster, her Little Rock law partner and later White House legal counsel who committed suicide last summer; that a real estate investment in the mid-1980s by the Clintons in partnership with the former chief executive of a now defunct Arkansas savings and loan institution may have involved the improper diversion of funds for political purposes, of which Mr Foster may have been aware. The Clintons have denied all the allegations.

In part Mr Clinton is the victim of circumstances beyond his considerable abilities to control. Having used the proliferating new media to get elected, he is now the invariable target of an ubiquitous punditocracy making instant judgments on everything that moves. It is simply no longer possible for a president to command the heights of network television and establishment newspapers, as Ronald Reagan could a decade ago, now that news and opinion flash instantly across a mélange of cable stations, computer screens and talk shows.

Political Washington has also refused to go down on bended knee to a president demanding that it end gridlock. Party discipline has ceased to mean much, unless the Republicans coalesce to resist tax increases or dig in over gun control. On the deficit-cutting budget act and NAFTA, defeat for either of which would have been disastrous for his presidency, Mr Clinton won the support of only 27 out of 53 Democratic senators and 78 of 258 Democratic members of the House.

With the Democrats often unwilling to act like a "presidential" party, each legislative battle has to be approached anew to put together a patchwork of votes, but winning a coalition. How healthy that next year is anyone's guess as mid-term elections approach. Many Democrats, aware that they have lost the six biggest state and mayoral elections since Mr Clinton won in November last year, consider too

After a year of Washington battles and media intrusion, has Bill Clinton learnt the ropes as US president, asks Jurek Martin He must have got something right



close an association with him a political liability.

In these circumstances, it is a minor miracle that he has achieved so much. As he reflected in one of many year-end interviews, "my biggest surprise in a negative sense - one I shouldn't have been surprised by - is that there really is a Washington culture that needs to be changed but has to be dealt with if you want to get anything done".

In that dealing, however, Mr Clinton and his team have not always been adept. They got off to a bad start when two women, Zoe Baird and Kimba Wood, were disqualified from serving as attorney general because of "mannygate" problems (indeed, the pace of appointments to senior government positions remains disappointingly slow, with the White House to blame as much as Congress). Redeeming a campaign promise to force the military to end its ban on homosexuals proved a protracted distraction. There was a badly handled scandal in the White House travel office. The Republicans sandbagged the \$17bn mini-stimulus package and the economy took time to pick up. Bosnia, Haiti and Somalia all brought foreign policy grief. Relations between the White House and a critical media reached a nadir.

Three factors lay behind the midsummer turnaround. David Gergen, denizen of past Republican administrations, was recruited as chief spin doctor, at which he is an artist.

With George Stephanopoulos moved to his proper place as a policy adviser, Ruth Bader Ginsburg proved to be a popular choice to fill Mr Clinton's first vacancy on the Supreme Court (the first Democratic appointee in 26 years). And, after a strenuous and bitter debate, the budget act prevailed - by precisely one vote in the House.

The budget victory proved particularly important because it demonstrated that Mr Clinton, suspected

Clinton has some difficulty differentiating between the merely interesting and the truly important

of being a softie, could exert political muscle. Some earlier successes in Congress (such as the family leave bill guaranteeing employment rights) were long in the legislative pipeline, blocked only by President George Bush's vetoes. But the next battle, NAFTA, was one in which it appeared that Mr Clinton, off to a late start, might lose. Not only did he win with some ease in the end, but his trade negotiators delivered a generally applauded Uruguay Round agreement.

Capping the year, the Brady bill was passed after seven years of fail-

ure under Republican administrations, with the promise of more gun control proposals next year. More than that, he responded to public angst over the crime wave with a series of hardheaded speeches, one to the Reverend Martin Luther King's old church in Memphis, on the need for individuals to assume responsibility for the safety of their own communities.

But even this record leaves Washington and the wider public wondering if the president and his administration have learnt the ropes. Mr Clinton has at least five big foreign trips on his new year itinerary, four to Europe, one to Asia with diversions, for example, to the Middle East, always possible, but this may only mean even more spokes of the administration wheel pointing to his overcrowded desk.

Yet, the ups and downs of the first year notwithstanding, there has been a sense of exhilaration and innovation in Washington unlike any other western capital, even if their impact is still not measurable on Gallup's Richter scale. And most of them flow from the president and, in important social policy respects, from his wife. His first year might not be entirely as he would have wished but, as a start, it was, on balance, impressive. A senior member of the Bush administration has taken to warning that Mr Clinton might get re-elected in 1996. Clearly he must be doing something right.

pyramid, when only the most important subjects ever reached the presidential desk, but a wheel in which all spokes point to the Oval Office. As a result of this, combined with his insistence on collegiality, few of his cabinet can be said really to have emerged as forces in their own right. Bruce Babbitt at interior and Henry Cisneros at housing have, as did Janet Reno, the attorney general, after the Waco debacle but before the sophisticated Washington scalps were turned in the direction of this plain-speaking daughter of a Florida alligator wrestler. Even a conspicuously effective Treasury operates very much as part of the team and its secretary, Lloyd Bentsen, is said to be contemplating retirement within a year.

No part of his government has taken more of a public pummeling than the foreign policy team, which is a problem for a president who came to office with a keen intellectual interest in external affairs but needing experienced guidance through the thicket. Mr Clinton had deliberately emphasised his domestic priorities by breaking with tradition a year ago in naming first his economic and social policy cabinet, and its first departure proved to be Les Aspin, the secretary of defence, because he had lost his president's confidence. Mr Clinton only left the country on an extended trip once this year - pegged to a Group of Seven summit in Tokyo that required his attendance.

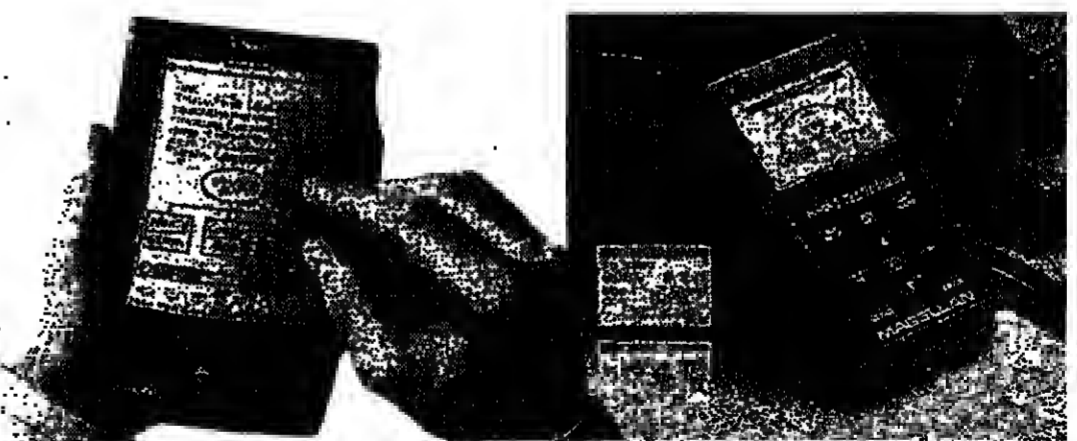
The main complaint is the lack of a conceptual framework and coherent strategies for grappling with the complex post-cold war world. Some criticisms may not be entirely fair; none of the trilogy of Bosnia, Somalia and Haiti is exactly central to US national interests and all were inherited and intractable problems. Warren Christopher, the secretary of state, may be no visionary - as yesterday's appointment of Mr Strobe Talbott as his new deputy implicitly recognises - but he thinks his way through issues and his caution means the US is unlikely to rush into some quagmire from which it extricates itself only with great pain.

Still, initial pledges of a new multilateralism have proved an on-again off-again experience, with growing distrust of the United Nations apparatus. Relations with western Europe, rocked over Bosnia, could be improved. Constancy has been displayed in putting economic security on the front burner of foreign policy, in backing Middle East peace negotiations and in supporting reform in Russia, though that confidence has now been shaken by this month's elections. Mr Clinton has at least five big foreign trips on his new year itinerary, four to Europe, one to Asia with diversions, for example, to the Middle East, always possible, but this may only mean even more spokes of the administration wheel pointing to his overcrowded desk.

Yet, the ups and downs of the first year notwithstanding, there has been a sense of exhilaration and innovation in Washington unlike any other western capital, even if their impact is still not measurable on Gallup's Richter scale. And most of them flow from the president and, in important social policy respects, from his wife. His first year might not be entirely as he would have wished but, as a start, it was, on balance, impressive. A senior member of the Bush administration has taken to warning that Mr Clinton might get re-elected in 1996. Clearly he must be doing something right.

Risky business of a high-tech future

Andrew Fisher on products to watch out for in '94



New wave: Apple Computer's Newton pen-based message pad and Magellan's hand-held electronic navigator

company, Ricoh, is introducing its IFS (Intelligent Facsimile System), which also communicates with personal computers.

Developed with Microsoft, the US software company, the IFS is operated with a touch-screen panel. Text and graphics files can be sent between personal computers through the IFS, which has built-in security features.

Tomorrow's telephones will be far cleverer than those used today. The phones on Mercury's One-2-One mobile network in the UK contain an array of electronic circuitry that enables users to record messages and check their current charges.

Made by Motorola of the US and Germany's Siemens and costing £250, the One-2-One phones, which comprise about 70 electronic components, are operated with simple press buttons. Each One-2-One phone has a smart card with a chip for users' personal numbers, billing

details and a personal phone directory; it also enables them to use other compatible phones.

Consumers are not rushing to buy digital compact cassettes (DCC) and players, but Philips of the Netherlands and Matsushita of Japan remain confident that the products will win a place in the audio market.

Pre-Christmas sales of DCCs and their players were tiny. But Philips is pinning its hopes on portable and in-car systems where the market is bigger than for home units.

Most parents may despair at their children's appetite for video games, the market for which is growing inexorably. Games such as Acclaim's Mortal Kombat are played by millions of teenagers.

Mortal Kombat, says 13-year-old Californian teenager Erick Arnold, was "the biggest 'gimme' for kids aged between nine and 13 at Christmas". Why do they want this gree-

some game? "Because it's cool." Many parents hate it, however. Nintendo has left the horrific bits out of its version while Sega requires the user to punch in a special code to access the most violent images.

The CD is becoming the all-purpose information carrier, reproducing music and voice and storing computer data. It is a prime component of the growing family of multimedia products.

Philips has invested heavily in its interactive compact disc (CD-I), a multimedia system combining digital sound, pictures and text. A simple connection to a television enables video games and full-motion digital videos to be played on the TV, as well as music CDs. At £550, the full CD-I player, combining voice, pictures and music in a single higher-quality home entertainment system, is good value.

Some people have trouble taking still pictures, let alone moving ones.

So makers of camcorders vie with each other to make their products smaller, quicker and simpler to use. Sharp's ViewCam has a tiny screen instead of a viewfinder, so the user can see what is being filmed even if it is being held up to shoot over crowds. The UK price ranges from £289 to £1,399.

There is no excuse for getting lost any more. The use of satellites to pinpoint location at sea is common. Now, with falling prices and improving software, so-called "global positioning devices" are being targeted at those who enjoy hill walking and hiking, yachting, mountain biking or bunting - any pursuit where knowledge of location and direction is needed.

US companies Magellan and Garmin are among those concentrating on this growing consumer market. Magellan's simplified hand-held electronic navigators with graphic display screens cost about £440; its Meridian model is designed for use on yachts and power boats and the Trailblazer for land.

When news of US approval for Baseron, the multiple sclerosis drug, came through last summer, shares of Schering, which developed the drug, shot up. Made for the German company by California-based Chiron, the drug does not cure MS, which weakens the nervous system, but is the first effective treatment for the disease. The main problem for Schering is whether Baseron can be made fast enough to meet demand; US approval came more quickly than expected.

For those keen on exercise, but not on jogging, cross-country ski machines for the home may be the answer. NordicTrack of the US sells its products by mail order in Europe; Lilllywhites, the London sports store, has started selling a machine made by Precor, also of the US. With adjustable stride and tension, it makes the user to exercise in a way which is "easy on the joints and muscles". For those wanting an element of "enhanced motivation", set speeds can be programmed. Jogging in the open is cheaper, though. Precor's machine costs £699.

Twin goals of budget and reform 'have been completed'

Ciampi ready to stand down as Italian PM

By Robert Graham in Rome

Mr Carlo Azeglio Ciampi, Italy's prime minister, said yesterday he was ready to leave office, having completed his government's mandate. The 73-year-old former governor of the Bank of Italy also told a news conference he would not stand in forthcoming general elections.

Mr Ciampi's comments accord with promises made in May when he agreed to be Italy's first non-elected premier this century. Then, he said his two essential tasks were to obtain approval for an austerity budget for 1994 and to complete the process of electoral reform. Both were achieved just before Christmas.

However, Mr Ciampi was careful yesterday to point out that the decision on the dissolution of parliament was out of his hands. "This executive has no authority to decide whether or not the current legislature should be prolonged... This is in the hands of the head of state, having consulted with the heads of the senate and chamber of deputies."

The timing of his departure has been complicated by intense

backstage political manoeuvring in the past few days. It had been expected that President Oscar Luigi Scalfaro would announce the dissolution of parliament in his end-of-year address, fixing general elections for March.

That timetable had now been undermined by Mr Marco Pannella, the Radical leader, who just before Christmas managed to persuade many of the Christian Democrat-led majority in parliament to sign a motion of no confidence. It was sufficient for Mr Scalfaro to postpone any statement and arrange for a week-long parliamentary debate beginning on January 12.

The aim of the no-confidence motion was to prolong the life of parliament as long as possible, perhaps as late as June, with a new government installed to replace Mr Ciampi. That would give more time for the disintegrating Christian Democrats and other groupings to form a viable coalition to oppose the electoral prospects of a coalition dominated by the former communist party of the Democratic Left.

Mr Scalfaro is said to oppose such a solution and the debate



Ciampi says dissolution of parliament is out of his hands

may not be a formal no-confidence motion if a number of Christian Democrats can be persuaded to withdraw their support. Nevertheless, Mr Ciampi in his closing days has been placed in an awkward position in relation to the parties that have notionally been backing his administration.

Banesto on brink of collapse

Continued from Page 1

raised Banesto's equity levels well beyond ratios demanded by Spanish and European authorities.

The first sign that something may have gone amiss again at Banesto was its failure to proceed with a \$400m bond issue in the autumn but even last week both Mr Conde and Mr Mendoza were insisting the bonds would be sold next year.

Banesto had already announced it would not pay a dividend for this year and that it intended transferring any profits to reserves. The Banesto group reported losses of Ptas 7.7bn (\$41.60m) for the first nine months of 1993.

Analysts say the bank's loans, victims of Spain's recession, have been performing increasingly badly this year and its credit ratings have twice been downgraded by leading rating agencies.

Mr Conde's removal will undoubtedly have an impact on Spanish politics as he has always been viewed by the Socialist government as a conservative opponent. Rival bankers also regarded him as an interloper and rumours of his imminent demise have swirled around Madrid almost from the moment he became chairman in 1988.

Phantom existence awaits forerunner of EU bank

By David Marsh, European Editor, in London

European Monetary Institute to be homeless for six months

The European Monetary Institute, expected to be established on January 1 to supervise the move towards economic and monetary union, will lead a phantom existence for the first six months of its life.

The EMI, forerunner of a European central bank, will be based in Frankfurt. But its shareholders - national central banks from European Union countries - will take at least until the end of next month to decide where to house the institute.

The provisional nature of the EMI's initial running arrangements symbolises the faltering progress towards Emu after the emergency widening of fluctuation bands forced by the summer currency crisis.

Governors of the 12 central banks will hold a formal inaugural meeting of the EMI on January 11 in the rebuilt 15th-century Frankfurt city hall. At least until the summer, though, the EMI will be run from Basle, headquarters of the Bank for International Settlements and the site of the present 34-strong secretariat of the committee of European central bank governors.

That means that Mr Andrew Crockett, who takes over as BIS general manager on January 1,

will "cohabit" for several months in Basle with Mr Alexandre Lamfalussy, the EMI's president-designate, and the BIS's current general manager.

Mr Crockett, at present the Bank of England's international director, was selected in the autumn to succeed Mr Lamfalussy.

The EMI is looking for an office that will hold no more than 150 to 250 people. A larger site capable of housing a fully-fledged central bank has been ruled out.

The idea of moving into the old pre-war headquarters in Frankfurt of the IG Farben chemicals conglomerate was ruled out several months ago. That reflected both the extravagant size of the building - used since 1945 by the US army - and the negative political connotations stemming from IG Farben's wartime Nazi links.

Although no budget for the EMI's first-year costs has been drawn up, central banks are expected to face a "nasty surprise" on the high cost of refurbishment, according to one well-informed official. The chosen office must be equipped to hold three simultaneous meetings of European central bankers.

The EMI is expected to employ between 130 and 150 staff by the end of 1994, many of whom will be seconded from central banks. Most will be economists and statisticians as well as administrative staff.

The EMI will pool information about European financial developments, help to harmonise monetary statistics and instruments, and host regular meetings of European central bankers.

During the so-called stage two of the move to Emu, which begins on January 1, monetary decision-making will remain in the hands of national central banks. Joint decisions on monetary policy will not be made until the irrevocable fixing of exchange rates under stage three of Emu. According to the Maastricht treaty, that is due to take place between 1997 and 1999.

The EMI will take over some technical arrangements for running the European Monetary System now handled by the BIS. There are no plans for the EMI to invest part of EMS member countries' foreign exchange reserves on financial markets.

Editorial Comment, Page 9

Pensions under pressure

The mis-selling of UK personal pensions uncovered in the final months of the year will doubtless reverberate through 1994, especially for companies found guilty of malpractice. But the shape of retirement provision in the UK is being decided elsewhere. The regulatory reforms proposed by the Goode Committee, which delivered its report in October, have been accepted by government and are now in the consultation process. Last month Mr Kenneth Clarke, the chancellor, promised a review of taxation of savings which will presumably include pension funds. In the New Year, the Accounting Standards Board plans to review the way companies account for pension costs.

Better prudential regulation, a more rational tax regime and greater consistency in accounting are all worthy objectives. But there are pitfalls along the way. The greatest danger is that reforms will, in aggregate, discourage companies from setting up defined-benefit occupational pension schemes.

With contributions on a rising trend, companies already have a reason to consider money-purchase schemes instead. There can be no surplus or contribution holiday under such an arrangement, but the investment risk lies with scheme members. Once companies are making full contributions, making the transition would involve no additional cost. If reform is seen to increase the long-term risks of running defined-benefit schemes, the incentive to switch would be great.

Any drift to money-purchase schemes would have implications for financial markets too, since such funds generally pursue more risk-averse investment strategies. In the long run, pension funds would probably hold more gilts and fewer equities.

Solvency

The Goode Committee's proposals for a minimum solvency standard could have the widest implications of all. A system of prudential regulation clearly needs to ensure that pension funds are adequately funded, but solvency is a slippery concept. The Goode approach is meant to ensure that current business assets to provide members with the benefits they have accrued.

Calculating the current value of future benefits - the so-called cash equivalent - can be tackled several ways. Using gilt yields as a benchmark is common among actuaries cal-

THE LEX COLUMN

calculating the value of benefits accrued by individuals transferring between schemes. Using this approach as the basis for an industry-wide solvency test, though, could create problems.

With liabilities linked to gilts for solvency purposes and assets held in equities, many funds would face a mismatch. A bear market in equities combined with falling gilt yields - as happened in 1974 - could result in a sudden erosion of solvency. As a preventive measure, funds invested heavily in equities would come under pressure to switch more of their assets into gilts. If that resulted in lower returns, pensioners would suffer.

The actuarial profession is trying to square the circle. A method of valuing cash equivalents in relation to equities may provide a partial solution. But striking a balance between the need to maximise investment returns and the overriding requirement for prudence will not be easy.

Company reaction

For companies, what steps they are required to take if the solvency threshold is breached is also important. The Goode proposal that companies should have three months to make amends, if the fund falls below 90 per cent solvency, looks harsh. Companies could find themselves facing a sudden and unexpected liability. The strain on corporate cash flow could be intense, especially for companies with a large pension scheme in relation to their current business. Faced with that risk, companies might prefer the comfort of a money-purchase scheme instead.

The solvency debate underlines that valuing pension funds is an inexact science. Since pension surpluses make up a large proportion of earnings for some companies, that is of concern for

the equity market too. The current accounting standard for pension costs allows companies a great deal of latitude in choosing what assumptions are used when valuing the pension fund. The Accounting Standards Board is therefore right to press for greater consistency.

The ASB faces the same dilemma as the Goode Committee. Prudence demands that pension costs should not be understated. But rules that are too tight might drive companies away from final salary schemes altogether.

Valuing pension liabilities annually with reference annuity rates - the cost of buying deferred annuities from insurance companies - is the method favoured by many accountants. That would provide a common benchmark between companies. Since annuity rates rise and fall with gilt yields, and depend on the willingness of insurance companies to sell such policies, a more volatile pension charge could also result. In periods of very low bond yields - 1994 looks like being a good example - companies would also face much higher pension costs than are currently being charged.

Tax treatment

Against this background, any tinkering with the tax treatment of pension funds would come at a delicate moment. By lowering funds' tax credit on dividends in March, the government reduced surpluses and increased companies' pension costs. The Treasury resisted the temptation to come back for more in the November budget, but that may only be a stay of execution. It would be strange if the review of taxation of savings to be carried out by Mr Stephen Dorrell, financial secretary to the Treasury, did not scrutinise pension funds at all.

Combined with the demands of a new solvency test and a rigorous accounting standard, tougher tax treatment could give companies just another reason for turning away from defined-benefit schemes. There is little sign of such a move as yet. Membership of occupational schemes has been in decline for some years, but companies are waiting for the shape of reform to become clear before deciding what kind of pension risks they are prepared to shoulder. The unfolding personal pensions scandal may draw attention to the attractions of occupational final-salary schemes. If companies are unwilling to shoulder their share of the risks, though, employees will have little choice.

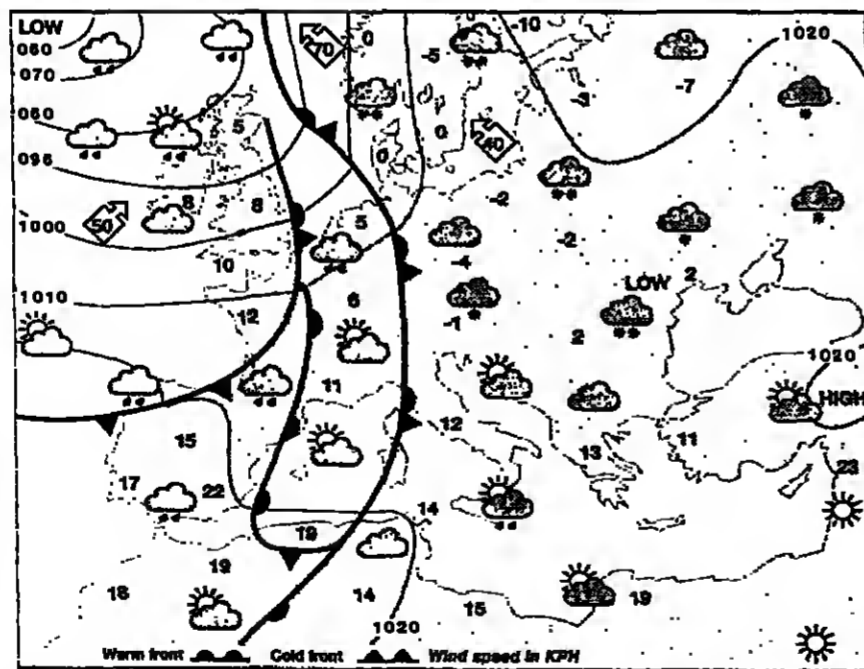
FT WEATHER GUIDE

Europe today

Milder air will move slowly from the North Sea towards Scandinavia. Snow will fall over southern Scandinavia and in eastern Germany, but the Benelux and much of France will be dry with milder temperatures. Very cold conditions will continue over northern Scandinavia. Alpine winter sports resorts will be mainly dry with freezing levels rising to approximately 2000 metres in the western Alps. Some snow will fall later in the French Alps and Austria may have light snow early in the day. The British Isles will have numerous showers with hail and sleet in the north. South-westerly winds will increase to near gale force on the west coast of Ireland.

Five-day forecast

Most of Europe will be unsettled. Frost in northern Scandinavia will moderate. The Alps will have new snow, especially on Thursday and Saturday, but freezing levels will stay at 1500-2000 metres. Gale force winds are expected on Friday across the northern part of the North Sea and the British Isles as a deepening depression moves in from the west.



TODAY'S TEMPERATURES

| | | | | | | | | | | | | | | | |
|-----------|--------------|--------|----|-----------|--------|----|------------|--------|-----|-------------|--------|----|------------|--------|----|
| Moscow | Belast | fair | 5 | Cardiff | shower | 9 | Frankfurt | cloudy | 4 | Malta | shower | 15 | Rio | sun | 29 |
| Celina | Belgrade | fair | 1 | Chicago | cloudy | -5 | Geneva | fair | -1 | Manchester | shower | 8 | Riyadh | sun | 34 |
| Abu Dhabi | Berlin | fair | -1 | Cologne | rain | 6 | Gibraltar | fair | 19 | Maria | fair | 27 | Rome | fair | 12 |
| Accra | Bernina | cloudy | 21 | D. Calson | fair | 30 | Glasgow | cloudy | 1 | Melbourne | rain | 13 | S. Paulo | fair | 14 |
| Algiers | Bogota | fair | 19 | Dakar | fair | 27 | Hamburg | cloudy | 0 | Mexico City | shower | 20 | Soul | fair | 7 |
| Amsterdam | Bombay | rain | 31 | Dallas | fair | 8 | Helsinki | fair | -5 | Miami | fair | 27 | Singapore | shower | 29 |
| Antwerp | Brussels | rain | 7 | Doha | fair | 23 | Hong Kong | fair | 21 | Montreal | fair | 17 | Stockholm | fair | 4 |
| B Aires | Buenos Aires | cloudy | 1 | Dubai | shower | 26 | Honolulu | rain | -17 | Moscow | cloudy | 11 | Sydney | fair | 26 |
| Bham | Chengdu | shower | 8 | Dubrovnik | shower | 7 | Jersey | shower | 11 | Nairobi | cloudy | 3 | Taipei | cloudy | 11 |
| Bangkok | Cairo | sun | 20 | Durham | shower | 11 | Karachi | shower | 27 | Naples | fair | 25 | Tel Aviv | sun | 21 |
| Barcelona | Cape Town | sun | 18 | Edinburgh | shower | 1 | Kuwait | fair | 24 | Nassau | fair | 27 | Toronto | fair | 11 |
| Beijing | Caracas | fair | 28 | Faro | fair | 19 | L. Angeles | fair | 25 | Nice | fair | 17 | Turkey | fair | 14 |
| | | | | | | | Lima | sun | 21 | New York | rain | 11 | Vancouver | rain | 7 |
| | | | | | | | Lisbon | shower | 18 | Nicosia | fair | 17 | Venice | fair | 5 |
| | | | | | | | London | fair | 10 | Oahu | snow | -4 | Vienna | cloudy | - |
| | | | | | | | Luxburg | rain | 5 | Papa | rain | 8 | Warsaw | cloudy | - |
| | | | | | | | Lyon | cloudy | 0 | Perth | snow | 28 | Washington | cloudy | - |
| | | | | | | | Madrid | fair | 13 | Prague | fair | -4 | Wellington | cloudy | - |
| | | | | | | | Manila | shower | 15 | Rangoon | fair | 31 | Winnipeg | sun | - |
| | | | | | | | Majorca | cloudy | 10 | Reykjavik | fair | 1 | Zurich | sun | - |



Lufthansa

German Airlines

Lufthansa, Your Airline.
Lufthansa
German Airlines

THE WISDOM of THE AGES



THE MARKETS of THE FUTURE

Since time immemorial the West has looked to the wisdom of the East for inspiration. It is a wisdom that has often been allied to a strong entrepreneurial spirit.

That entrepreneurial spirit has made the Far East the fastest growing economic region in the world today - with growth rates of typically 8% to 12% a year. Japan's economy is already highly developed. And the four 'Asian Tigers', Hong Kong, Korea, Singapore and Taiwan are catching up fast. As are the emerging markets of Thailand, Malaysia, Indonesia and China.

Save & Prosper believes the region offers exciting investment opportunities with high potential rewards, with varied levels of risk. A choice of three Save & Prosper funds offer you the ideal way to capture the dynamism of the markets of the future.

Southeast Asia Growth Fund - established 15 years ago to provide exposure to companies in South East Asia excluding Japan. Original investors have so far seen their money increase its value by more than sixteen times.

*1978 price performance from £1.00 to £12.25 with net income reinvested. Over five years to £12.25 the equivalent growth was 32%.

Asian Smaller Companies Fund - focuses on the region's smaller companies which can grow faster than larger companies but often are under-researched, providing undervalued value.

China Dragon Fund - invests in 'China Pigs' stocks - those companies which trade with or operate in China. And which benefit from China's vast potential.

FAR EAST EXPERTISE

Save & Prosper is part of Fleming's, one of the UK's leading merchant banks, who currently manage over \$40 billion for investors worldwide. Fleming's sister company, Jardine Fleming, is the leading international investment management group in the Far East.

ACT NOW

We believe every serious investor should consider including the Far East in their portfolio. You can invest from as little as £1,000.

To find out more, ring our free Moneyline, post the coupon or talk to your financial adviser.

CALL FREE 0800 282 101

9.00 a.m. - 4.00 p.m. 7 DAYS A WEEK

The Save & Prosper Securities Limited, FREEPOST, Bedford MK41 1BP.
Please send no details of South East Asia Growth Fund, Asian Smaller Companies Fund and China Dragon Fund.

Mr/Ms/Miss _____
Address _____
Postcode _____
Home Tel (STD) _____ No Work Tel (STD) _____ No
So that we may call and offer further information.

THE PRICE OF LIMITS, AND ANY INCOME FROM THEM, CAN GO DOWN AS WELL AS UP AND YOU MAY NOT GET BACK THE FULL AMOUNT YOU INVESTED. INVESTORS SHOULD BE AWARE THAT THE MARKETS IN WHICH THESE FUNDS CAN INVEST CAN BE HIGHLY VOLATILE. EXCHANGE RATES MAY ALSO CAUSE THE VALUE OF UNDERLYING OVERSEAS INVESTMENTS TO GO DOWN OR UP. SAVE & PROSPER GROUP LTD IS A MEMBER OF IARD AND LAURO.

SAVE & PROSPER
THE INVESTMENT HOUSE

مكتبة الجليل

COMPANIES AND FINANCE

Jams today mean jam tomorrow for Peek

Kieran Cooke looks at the rapid Asian expansion of an £89m a year traffic management business

Anthony Gould enjoys traffic jams. He follows in them in Kuala Lumpur and in Jakarta.

He goes looking for them in China. In Bangkok, he sits back and lets the traffic envelop him.

Mr Gould is head of the Asian operations of Peek, a British company specialising in traffic control systems.

Asia has some horrendous traffic problems: Mr Gould and Peek see great opportunities in offering solutions.

"In 1992 only 3 per cent of our turnover was in Asia," says Mr Gould. "Within three years we aim to have up to 40 per cent of our revenues generated in this region."

Peek started life 20 years ago as an investment holding company. Since a capital reconstruction in 1986 it has specialised in various types of road traffic equipment and management systems.

Peek now bills itself as the world's leading manufacturer of traffic controllers, the boxes which sit by traffic lights and control the signals.

In recent years Peek has acquired the traffic control operations of Philips in the Netherlands, and Ferranti traffic information systems. Other businesses have been acquired in the Nordic countries, Germany and the US.

Turnover has risen from £14.7m in 1987 to £88.8m last year. Pre-tax profits last year were £7.1m.

Now, with business slow elsewhere, the focus is on the fast developing countries of Asia.

The big prize so far has been a £6.5m contract won earlier this year to supply and install traffic controllers at 143 junctions throughout Bangkok.

The controllers will form an integrated network, with more than 2,000 detectors or sensors relaying information on traffic build-up at the junctions to a central computer - a system aimed at reducing jams in a city which is among the most



Gridlock in Bangkok: Peek's Asian operations, headed by Anthony Gould (inset), see 'great opportunities' in offering solutions

traffic-clogged in the world.

Similar systems are in operation in 40 British towns and cities, including central London.

"Bangkok and other Asian cities are now realising that traffic congestion is a serious impediment to further growth," says Mr Gould.

"We don't offer all the solutions but at least we can be a big help."

Peek is negotiating to install similar systems in Jakarta, the Indonesian capital, and the nearby city of Bandung.

Business is promising in Malaysia.

In Singapore, Peek earlier this year took a 49 per cent stake in the local Kee Eng Chin Electrical company, which installs and maintains traffic equipment throughout the island republic.

Like many companies, Peek is looking to China for a great leap forward in its business.

"The scale of the road building programme in China is staggering," says Mr Gould. "Over the next five years China plans to build more than 100,000 km of highway. And these plans are not just on the drawing board. Many of them are already being put into action."

At the beginning of the year, Peek took a 45 per cent stake in a largely state-controlled engineering company in Sichuan province in southern China.

The joint venture has been concentrating its sales efforts

on Hainan, the Chinese island, south of Hong Kong which has long been a favourite holiday destination among Chinese but is now designated as a special economic zone.

The local economy on Hainan has been growing at more than 20 per cent each year - and high economic growth rates have brought traffic problems.

Peek recently signed a \$3m contract to supply and install traffic management systems in Haikou, Hainan's biggest city. Another \$7m worth of business is likely to grow out of the project.

"The contract took nine months to negotiate and involved us taking local officials to Britain and showing them how the systems work there," says Mr Gould.

"Officials from all over China go to Hainan for conferences or for holidays - it's a great shop window for us."

Traffic control is a very competitive business and others are intent on grabbing a slice of the Asian market. Siemens of Germany, GEC of Britain and Philips in Australia are Peek's main business rivals.

Mr Gould spends his time in traffic jams watching the lights and calculating business possibilities.

"We could be doing nearly £100m of business in China alone within three years," he says. "It will mean a big investment in terms of marketing and technology transfer. But the rewards make the effort very worthwhile."

Mr Gould says he is not just on the drawing board. Many of them are already being put into action.

At the beginning of the year, Peek took a 45 per cent stake in a largely state-controlled engineering company in Sichuan province in southern China.

The joint venture has been concentrating its sales efforts

on Hainan, the Chinese island, south of Hong Kong which has long been a favourite holiday destination among Chinese but is now designated as a special economic zone.

The local economy on Hainan has been growing at more than 20 per cent each year - and high economic growth rates have brought traffic problems.

Peek recently signed a \$3m contract to supply and install traffic management systems in Haikou, Hainan's biggest city. Another \$7m worth of business is likely to grow out of the project.

"The contract took nine months to negotiate and involved us taking local officials to Britain and showing them how the systems work there," says Mr Gould.

"Officials from all over China go to Hainan for conferences or for holidays - it's a great shop window for us."

Traffic control is a very competitive business and others are intent on grabbing a slice of the Asian market. Siemens of Germany, GEC of Britain and Philips in Australia are Peek's main business rivals.

Mr Gould spends his time in traffic jams watching the lights and calculating business possibilities.

"We could be doing nearly £100m of business in China alone within three years," he says. "It will mean a big investment in terms of marketing and technology transfer. But the rewards make the effort very worthwhile."

Mr Gould says he is not just on the drawing board. Many of them are already being put into action.

At the beginning of the year, Peek took a 45 per cent stake in a largely state-controlled engineering company in Sichuan province in southern China.

The joint venture has been concentrating its sales efforts

on Hainan, the Chinese island, south of Hong Kong which has long been a favourite holiday destination among Chinese but is now designated as a special economic zone.

The local economy on Hainan has been growing at more than 20 per cent each year - and high economic growth rates have brought traffic problems.

Peek recently signed a \$3m contract to supply and install traffic management systems in Haikou, Hainan's biggest city. Another \$7m worth of business is likely to grow out of the project.

"The contract took nine months to negotiate and involved us taking local officials to Britain and showing them how the systems work there," says Mr Gould.

Centregold share gift transaction

By Tim Bart

Centregold, the publisher and distributor of video games and computer software, has set a new trend in Christmas share dealings by disclosing a gift transaction between its chief executive and managing director.

Shortly after the stock market closed on Christmas Eve, the Birmingham-based company announced that Mr Geoff Brown, the former mathematics teacher who floated the company in October, was giving 200,000 shares to Mr Martyn Savage, the managing director.

The gift, worth about £380,000 at Friday's closing price of 165p, reduces Mr Brown's holding to 13.9m shares representing 25 per cent of the capital.

Mr Savage said he would be retaining the shares, which took his holding to 3.6 per cent.

"It was a personal gift reflecting Mr Brown's view that I deserved more than I got out of the company. We were the driving force behind the flotation," he said.

The gift, supplementing Mr Savage's £200,000 basic annual salary and performance-related bonuses, was a one-off gesture, he added.

Since the flotation Centregold shares have jumped sharply from the issue price of 125p. The company's performance has been boosted by strong demand in the run up to the holiday period.

Mr Savage said earnings next year would be boosted by new products and revenue from exclusive video games rights for the Winter Olympics and the World Cup.

Mr Savage said he would be retaining the shares, which took his holding to 3.6 per cent.

"It was a personal gift reflecting Mr Brown's view that I deserved more than I got out of the company. We were the driving force behind the flotation," he said.

The gift, supplementing Mr Savage's £200,000 basic annual salary and performance-related bonuses, was a one-off gesture, he added.

Since the flotation Centregold shares have jumped sharply from the issue price of 125p. The company's performance has been boosted by strong demand in the run up to the holiday period.

Mr Savage said earnings next year would be boosted by new products and revenue from exclusive video games rights for the Winter Olympics and the World Cup.

Mr Savage said he would be retaining the shares, which took his holding to 3.6 per cent.

"It was a personal gift reflecting Mr Brown's view that I deserved more than I got out of the company. We were the driving force behind the flotation," he said.

The gift, supplementing Mr Savage's £200,000 basic annual salary and performance-related bonuses, was a one-off gesture, he added.

Since the flotation Centregold shares have jumped sharply from the issue price of 125p. The company's performance has been boosted by strong demand in the run up to the holiday period.

Mr Savage said earnings next year would be boosted by new products and revenue from exclusive video games rights for the Winter Olympics and the World Cup.

Mr Savage said he would be retaining the shares, which took his holding to 3.6 per cent.

"It was a personal gift reflecting Mr Brown's view that I deserved more than I got out of the company. We were the driving force behind the flotation," he said.

The gift, supplementing Mr Savage's £200,000 basic annual salary and performance-related bonuses, was a one-off gesture, he added.

Since the flotation Centregold shares have jumped sharply from the issue price of 125p. The company's performance has been boosted by strong demand in the run up to the holiday period.

Mr Savage said earnings next year would be boosted by new products and revenue from exclusive video games rights for the Winter Olympics and the World Cup.

Mr Savage said he would be retaining the shares, which took his holding to 3.6 per cent.

"It was a personal gift reflecting Mr Brown's view that I deserved more than I got out of the company. We were the driving force behind the flotation," he said.

The gift, supplementing Mr Savage's £200,000 basic annual salary and performance-related bonuses, was a one-off gesture, he added.

Since the flotation Centregold shares have jumped sharply from the issue price of 125p. The company's performance has been boosted by strong demand in the run up to the holiday period.

Mr Savage said earnings next year would be boosted by new products and revenue from exclusive video games rights for the Winter Olympics and the World Cup.

Mr Savage said he would be retaining the shares, which took his holding to 3.6 per cent.

"It was a personal gift reflecting Mr Brown's view that I deserved more than I got out of the company. We were the driving force behind the flotation," he said.

The gift, supplementing Mr Savage's £200,000 basic annual salary and performance-related bonuses, was a one-off gesture, he added.

Since the flotation Centregold shares have jumped sharply from the issue price of 125p. The company's performance has been boosted by strong demand in the run up to the holiday period.

Mr Savage said earnings next year would be boosted by new products and revenue from exclusive video games rights for the Winter Olympics and the World Cup.

Mr Savage said he would be retaining the shares, which took his holding to 3.6 per cent.

"It was a personal gift reflecting Mr Brown's view that I deserved more than I got out of the company. We were the driving force behind the flotation," he said.

The gift, supplementing Mr Savage's £200,000 basic annual salary and performance-related bonuses, was a one-off gesture, he added.

Since the flotation Centregold shares have jumped sharply from the issue price of 125p. The company's performance has been boosted by strong demand in the run up to the holiday period.

Mr Savage said earnings next year would be boosted by new products and revenue from exclusive video games rights for the Winter Olympics and the World Cup.

Mr Savage said he would be retaining the shares, which took his holding to 3.6 per cent.

"It was a personal gift reflecting Mr Brown's view that I deserved more than I got out of the company. We were the driving force behind the flotation," he said.

The gift, supplementing Mr Savage's £200,000 basic annual salary and performance-related bonuses, was a one-off gesture, he added.

Since the flotation Centregold shares have jumped sharply from the issue price of 125p. The company's performance has been boosted by strong demand in the run up to the holiday period.

Mr Savage said earnings next year would be boosted by new products and revenue from exclusive video games rights for the Winter Olympics and the World Cup.

Mr Savage said he would be retaining the shares, which took his holding to 3.6 per cent.

"It was a personal gift reflecting Mr Brown's view that I deserved more than I got out of the company. We were the driving force behind the flotation," he said.

The gift, supplementing Mr Savage's £200,000 basic annual salary and performance-related bonuses, was a one-off gesture, he added.

Since the flotation Centregold shares have jumped sharply from the issue price of 125p. The company's performance has been boosted by strong demand in the run up to the holiday period.

Mr Savage said earnings next year would be boosted by new products and revenue from exclusive video games rights for the Winter Olympics and the World Cup.

Mr Savage said he would be retaining the shares, which took his holding to 3.6 per cent.

"It was a personal gift reflecting Mr Brown's view that I deserved more than I got out of the company. We were the driving force behind the flotation," he said.

The gift, supplementing Mr Savage's £200,000 basic annual salary and performance-related bonuses, was a one-off gesture, he added.

Since the flotation Centregold shares have jumped sharply from the issue price of 125p. The company's performance has been boosted by strong demand in the run up to the holiday period.

Mr Savage said earnings next year would be boosted by new products and revenue from exclusive video games rights for the Winter Olympics and the World Cup.

Mr Savage said he would be retaining the shares, which took his holding to 3.6 per cent.

"It was a personal gift reflecting Mr Brown's view that I deserved more than I got out of the company. We were the driving force behind the flotation," he said.

The gift, supplementing Mr Savage's £200,000 basic annual salary and performance-related bonuses, was a one-off gesture, he added.

Since the flotation Centregold shares have jumped sharply from the issue price of 125p. The company's performance has been boosted by strong demand in the run up to the holiday period.

Mr Savage said earnings next year would be boosted by new products and revenue from exclusive video games rights for the Winter Olympics and the World Cup.

Mr Savage said he would be retaining the shares, which took his holding to 3.6 per cent.

"It was a personal gift reflecting Mr Brown's view that I deserved more than I got out of the company. We were the driving force behind the flotation," he said.

The gift, supplementing Mr Savage's £200,000 basic annual salary and performance-related bonuses, was a one-off gesture, he added.

Since the flotation Centregold shares have jumped sharply from the issue price of 125p. The company's performance has been boosted by strong demand in the run up to the holiday period.

Mr Savage said earnings next year would be boosted by new products and revenue from exclusive video games rights for the Winter Olympics and the World Cup.

Mr Savage said he would be retaining the shares, which took his holding to 3.6 per cent.

"It was a personal gift reflecting Mr Brown's view that I deserved more than I got out of the company. We were the driving force behind the flotation," he said.

The gift, supplementing Mr Savage's £200,000 basic annual salary and performance-related bonuses, was a one-off gesture, he added.

Since the flotation Centregold shares have jumped sharply from the issue price of 125p. The company's performance has been boosted by strong demand in the run up to the holiday period.

Mr Savage said earnings next year would be boosted by new products and revenue from exclusive video games rights for the Winter Olympics and the World Cup.

Mr Savage said he would be retaining the shares, which took his holding to 3.6 per cent.

"It was a personal gift reflecting Mr Brown's view that I deserved more than I got out of the company. We were the driving force behind the flotation," he said.

The gift, supplementing Mr Savage's £200,000 basic annual salary and performance-related bonuses, was a one-off gesture, he added.

Since the flotation Centregold shares have jumped sharply from the issue price of 125p. The company's performance has been boosted by strong demand in the run up to the holiday period.

Mr Savage said earnings next year would be boosted by new products and revenue from exclusive video games rights for the Winter Olympics and the World Cup.

Mr Savage said he would be retaining the shares, which took his holding to 3.6 per cent.

"It was a personal gift reflecting Mr Brown's view that I deserved more than I got out of the company. We were the driving force behind the flotation," he said.

The gift, supplementing Mr Savage's £200,000 basic annual salary and performance-related bonuses, was a one-off gesture, he added.

Since the flotation Centregold shares have jumped sharply from the issue price of 125p. The company's performance has been boosted by strong demand in the run up to the holiday period.

Mr Savage said earnings next year would be boosted by new products and revenue from exclusive video games rights for the Winter Olympics and the World Cup.

Mr Savage said he would be retaining the shares, which took his holding to 3.6 per cent.

"It was a personal gift reflecting Mr Brown's view that I deserved more than I got out of the company. We were the driving force behind the flotation," he said.

The gift, supplementing Mr Savage's £200,000 basic annual salary and performance-related bonuses, was a one-off gesture, he added.

Since the flotation Centregold shares have jumped sharply from the issue price of 125p. The company's performance has been boosted by strong demand in the run up to the holiday period.

Mr Savage said earnings next year would be boosted by new products and revenue from exclusive video games rights for the Winter Olympics and the World Cup.

Mr Savage said he would be retaining the shares, which took his holding to 3.6 per cent.

"It was a personal gift reflecting Mr Brown's view that I deserved more than I got out of the company. We were the driving force behind the flotation," he said.

The gift, supplementing Mr Savage's £200,000 basic annual salary and performance-related bonuses, was a one-off gesture, he added.

Since the flotation Centregold shares have jumped sharply from the issue price of 125p. The company's performance has been boosted by strong demand in the run up to the holiday period.

Mr Savage said earnings next year would be boosted by new products and revenue from exclusive video games rights for the Winter Olympics and the World Cup.

Mr Savage said he would be retaining the shares, which took his holding to 3.6 per cent.

"It was a personal gift reflecting Mr Brown's view that I deserved more than I got out of the company. We were the driving force behind the flotation," he said.

The gift, supplementing Mr Savage's £200,000 basic annual salary and performance-related bonuses, was a one-off gesture, he added.

Since the flotation Centregold shares have jumped sharply from the issue price of 125p. The company's performance has been boosted by strong demand in the run up to the holiday period.

Mr Savage said earnings next year would be boosted by new products and revenue from exclusive video games rights for the Winter Olympics and the World Cup.

Mr Savage said he would be retaining the shares, which took his holding to 3.6 per cent.

"It was a personal gift reflecting Mr Brown's view that I deserved more than I got out of the company. We were the driving force behind the flotation," he said.

The gift, supplementing Mr Savage's £200,000 basic annual salary and performance-related bonuses, was a one-off gesture, he added.

Since the flotation Centregold shares have jumped sharply from the issue price of 125p. The company's performance has been boosted by strong demand in the run up to the holiday period.

Mr Savage said earnings next year would be boosted by new products and revenue from exclusive video games rights for the Winter Olympics and the World Cup.

Mr Savage said he would be retaining the shares, which took his holding to 3.6 per cent.

"It was a personal gift reflecting Mr Brown's view that I deserved more than I got out of the company. We were the driving force behind the flotation," he said.

The gift, supplementing Mr Savage's £200,000 basic annual salary and performance-related bonuses, was a one-off gesture, he added.

Since the flotation Centregold shares have jumped sharply from the issue price of 125p. The company's performance has been boosted by strong demand in the run up to the holiday period.

Mr Savage said earnings next year would be boosted by new products and revenue from exclusive video games rights for the Winter Olympics and the World Cup.

Mr Savage said he would be retaining the shares, which took his holding to 3.6 per cent.

"It was a personal gift reflecting Mr Brown's view that I deserved more than I got out of the company. We were the driving force behind the flotation," he said.

The gift, supplementing Mr Savage's £200,000 basic annual salary and performance-related bonuses, was a one-off gesture, he added.

Since the flotation Centregold shares have jumped sharply from the issue price of 125p. The company's performance has been boosted by strong demand in the run up to the holiday period.

Mr Savage said earnings next year would be boosted by new products and revenue from exclusive video games rights for the Winter Olympics and the World Cup.

Mr Savage said he would be retaining the shares, which took his holding to 3.6 per cent.

"It was a personal gift reflecting Mr Brown's view that I deserved more than I got out of the company. We were the driving force behind the flotation," he said.

The gift, supplementing Mr Savage's £200,000 basic annual salary and performance-related bonuses, was a one-off gesture, he added.

Since the flotation Centregold shares have jumped sharply from the issue price of 125p. The company's performance has been boosted by strong demand in the run up to the holiday period.

Mr Savage said earnings next year would be boosted by new products and revenue from exclusive video games rights for the Winter Olympics and the World Cup.

Mr Savage said he would be retaining the shares, which took his holding to 3.6 per cent.

"It was a personal gift reflecting Mr Brown's view that I deserved more than I got out of the company. We were the driving force behind the flotation," he said.

The gift, supplementing Mr Savage's £200,000 basic annual salary and performance-related bonuses, was a one-off gesture, he added.

Since the flotation Centregold shares have jumped sharply from the issue price of 125p. The company's performance has been boosted by strong demand in the run up to the holiday period.

Mr Savage said earnings next year would be boosted by new products and revenue from exclusive video games rights for the Winter Olympics and the World Cup.

Mr Savage said he would be retaining the shares, which took his holding to 3.6 per cent.

"It was a personal gift reflecting Mr Brown's view that I deserved more than I got out of the company. We were the driving force behind the flotation," he said.

The gift, supplementing Mr Savage's £200,000 basic annual salary and performance-related bonuses, was a one-off gesture, he added.

Since the flotation Centregold shares have jumped sharply from the issue price of 125p. The company's performance has been boosted by strong demand in the run up to the holiday period.

Mr Savage said earnings next year would be boosted by new products and revenue from exclusive video games rights for the Winter Olympics and the World Cup.

Mr Savage said he would be retaining the shares, which took his holding to 3.6 per cent.

"It was a personal gift reflecting Mr Brown's view that I deserved more than I got out of the company. We were the driving force behind the flotation," he said.

The gift, supplementing Mr Savage's £200,000 basic annual salary and performance-related bonuses, was a one-off gesture, he added.

Since the flotation Centregold shares have jumped sharply from the issue price of 125p. The company's performance has been boosted by strong demand in the run up to the holiday period.

Mr Savage said earnings next year would be boosted by new products and revenue from exclusive video games rights for the Winter Olympics and the World Cup.</

By Peter Martin

Corsair put \$175m into Banesto. Though Morgan was providing only \$17.5m of that, it was publicly setting the seal of respectability on the Spanish bank. "We must get it right

In this way the Bank of Spain guarantees the liquidity of the institutions in local and foreign markets, adopting all measures necessary to that end. - Madrid, December 28 1993

Mr Conde had no illusions about the value of Morgan's name. "Would there have been a capital issue without J.P. Morgan? The answer is no," he said. But the Morgan name was not enough to see the criminal through.

In the summer, Mr. Mendoza summed up his perception of the chance Morgan was taking with Banesto. "My own sense is that this is very low risk, although you can argue as to how good the returns will be."



He has enlarged the bank at a breakneck pace; become embroiled in a wrangle with *los Albertos*, two other youthful entrepreneurs, which ended in their public humiliation; helped Mr Rupert Murdoch stage a boardroom coup at a television station; provoked the hostility of BP; and

By Michiyo Nakamoto in Tokyo

The country's chemical industry has not only suffered a prolonged business slump in the domestic market, but is also facing growing competition overseas.

Against this background, Japanese chemical companies are being forced to accept the necessity of consolidation to create larger, more efficient and internationally competitive businesses.

By Julian Ozanne in Jerusalem

The move follows the announcement that Koor and Bank Leumi, Israel's second largest banking group, have signed separate deals with Moroccan companies to set up investment and banking com-

an important breakthrough for Israel in developing trade and

The government said next

sales which last year reached \$2.65bn.

With its departure, the Spanish financial establishment will sleep more easily.

By Andrew Jack

KPMG, which was down 1.6 per cent to \$6bn in the year to September 30, and Coopers &

Ernst & Young reported growth of 2.4 per cent to \$5.8bn in the year to September.

Deloitte Touche Tohmatsu rose 4.2 per cent to \$5bn and Price Waterhouse 3.4 per cent to \$3.9bn.

0,000,000
Subordinated Loan
Maturity due 2000
Bayerische (Deutschland) Gießerei
maintaining a subordinated loan to
Tokai Bank, Limited
of the Loan Agreement, notice is
given that the Interest Period from December
1993 to December 1994 for the
Loan Participation certificates will
be p.a. and the Coupon Amount per
unit will be U.S.\$2,257.81

Agent Bank **CITIBANK**

**Credit Bank
Finance, N.V.**
1,000,000
**Floating Rate
Notes 2000**

Conditions of the Notes, notice is
for the Interest Period from 29th
1994 is 3.675% per annum. The
March, 1994 in respect of each of
each note is U.S. \$91.88.

ção) N. V.
(N.V.)

Bonds Due 1998

Bonds that, following the
(Switzerland), to issue
to the shareholders of
7 (a) of the Bonds) has
s. Accordingly, the Con-
ber, 1993 to SFr. 1858.-,
ght of conversion of the

By order
CREDIT SUISSE

INTERNATIONAL CAPITAL MARKETS

Focus shifts to Germany in thin trade

By Tracy Corrigan and Patrick Harverson

Most continental European bond markets drifted lower yesterday, but with London closed and many continental European market participants on holiday, trading was extremely thin.

German bond prices dropped slightly, as dealers tried to hedge the new 30-year German government bond, of which DM10bn was allotted to the traditional bank consortium yesterday.

More 30-year bonds will be auctioned today. Dealers believe the total amount of 30-year bonds will be DM10bn. The Bund-schank is expected to hold back a portion of bonds for market operations.

Dealers said the terms of the bond,

GOVERNMENT BONDS

which matures on January 4, 2004, were in line with expectations. The coupon was set at 6.25 per cent and the price at 100.40. The bonds were quoted at 95.50 in the grey market, according to dealers.

"We don't expect to have any problems selling the paper, but it will go to foreign buyers, and they are not around at the moment," said one trader.

French bond prices edged lower at the long-end, in sympathy with the German market, but dealers said thin trading was confined to a 20 basis point range.

US bond prices eased slightly at the long end of the maturity range in quiet trading yesterday morning after news of strong consumer confidence data.

The declines followed the moderate losses the market posted on Monday.

By noon, the benchmark 30-year government bond was down 1/4 at 100 1/4 to yield 6.235 per cent. The 2-year note was unchanged at 100 1/4, yielding 4.184 per cent.

Although business was quiet with many participants away on holiday, there was some selling early on after the Conference Board announced that its index of consumer confidence rose to 80.3 in December, up from 79.5 in November.

Dealers said that the long end of the market would probably have fallen further but for the positive effect on sentiment of fresh declines in commodity prices, including another large drop in the oil price.

European bonds rallied strongly in 1993 while the US caught the lull after a good start. However, Conner Middleman and Patrick Harverson found lingering optimism for 1994

Italian sector is expected to remain leader of the pack

For most investors, 1993 was the year of the European bond bonanza, with fixed-income markets fuelled by falling interest rates, slowing inflation and faltering economies. Next year is likely to bring more of the same as Europe's economies continue to limp along, monetary policies remain accommodating and fiscal tightening limits supply.

However, 1994 promises to be a more difficult year as the European bond rally loses steam in the second half and markets re-focus on political risk, budget deficits and economic recovery.

Moreover, the low yields prevailing in most markets will make double-digit performance next year hard to attain. Few markets still offer yields above 6 per cent and "besides the lower-yielding yield, this also means lower capital gains potential, and at the same time higher risks," says Mr Reiner Back, head of fixed-income strategy at DB Research in Frankfurt.

On a global comparison, last year's best-performing market was Italy, which rose 31.67 per cent in local currency terms, according to data compiled by JP Morgan. That was followed by Spain, up 30.93 per cent, and Denmark with a 21.34 per cent rise. The US and Japan provided the poorest returns, yielding 10.30 per cent

and 13.36 per cent, respectively.

European bonds are expected to outperform other markets again next year, lifted by central banks' continued easing of interest rates. Ms Alison Cottrell, European economist at Midland Global Markets, expects European short-term rates to fall another 50 basis points on average by the end of 1994, with the German discount rate - currently at 5.75 per cent - reaching 4 per cent by the summer and 3.5 per cent by year-end.

That should put German bond yields, at historical lows in real terms, under further downward pressure from a weak economy, decelerating inflation and a tighter fiscal stance. The 10-year benchmark bond yield, at around 5.65 per cent, is widely expected to drop below 5.5 per cent, with some economists going as low as 5.2 per cent.

One risk factor in Germany is the country's election marathon, with 19 polls slated for the year. Given the weakness of the economy and soaring unemployment, political shocks caused by extreme voting patterns could be possible.

According to Ms Cottrell, the risk period for bonds is likely to be not so much the October federal elections as the period between the Lower Saxony regional elections on March 13 and the European elec-

tions on June 12. "A large protest vote may prove more unsettling for the markets than the October election," she notes.

French bonds should do well, although they may be prone to political jitters around the European parliament elections and in the run-up to the 1995 presidential elections. However, the country's low and falling inflation rate, tepid economy and record unemployment are expected to promote sharp rate cuts, helped by the continuing strength of the French franc.

The UK bond market put on a dazzling performance this year, posting an annual return of 20.88 per cent. Gilts rallied sharply after the November 30 budget, helped by favourable inflation developments which saw the retail price index fall to a 26-year low in November.

The low-inflation, slow-growth scenario is expected to underpin gilts early next year, bolstered by prospects for some more rate cuts by the Bank of England. Most observers expect at least another 1/2-point cut in the 5.5 per cent base rate, with an increasing number of analysts calling for 4 per cent base rates by year-end.

"The highest returns are likely during the first half of 1994 reflecting the positive combination of lower short-term rates and a continuing rally in overseas bond mar-

kets," predicts Mr David Walton, economist at Goldman Sachs. He expects the 10-year gilt yield to drop below 6 per cent in the next few months, from about 6.30 per cent at present.

However, he warns that some of these gains might evaporate in the second half, with the yield curve steepening as the international environment becomes less supportive and investors begin to worry about a rise in UK inflation.

Meanwhile, Europe's high-yielders remain everybody's favourite, with Italy expected to lead the pack.

"In this low-yield environment, the quest for good returns will push investors into the high-yielders which still offer potential for yield convergence towards the hard core," said Mr Back at DB Research. While Italy's national elections - likely to be held in spring - will keep the country's currency and bond market volatile, economic fundamentals and the prospect of further rate cuts will buoy Italian bonds, he says.

Ms Ros Liffon, European economist at Nomura Research Institute, expects the Italian bond market to outperform all others in the next six months and sees 10-year yields falling some 100 basis points by mid-1994 from the current 8.41 per cent.

Italy's fundamentals are promising, with inflation set to drop below 4 per cent and the fiscal outlook improving after the successful passage of the 1994 budget.

Spanish bond yields are expected to decline further, although they are likely to lag behind Italy. The minority socialist government is having trouble implementing labour market reforms, and with a general strike planned for January, the peseta is likely to be plagued by political tensions. Spanish fundamentals - rising inflation and an overshooting budget deficit - do not bode well for aggressive cuts in interest rates, which are needed to revive the economy and reduce record unemployment.

Meanwhile, a tighter policy stance by the US Federal Reserve is unlikely to have much impact on European bonds. "The dislocation of US and European business cycles suggests a fairly muted link between US and European yields," says Ms Cottrell.

Moreover, with worldwide economic activity expected to remain subdued and oil prices seen as remaining stable, commodities prices are unlikely to fuel inflation pressures.

CM

Inflation remains the primary factor

throughout the year in a range between 2.5 per cent and 3 per cent.

A stuttering economy, at least in the first half of the year, was also partly responsible for the lack of inflationary pressures.

In particular, concern about how President Clinton's first budget (which was designed to shrink the deficit by raising taxes and cutting federal spending) would affect the economy acted as a restraint on corporate and consumer spending.

The Federal Reserve's monetary policy was another factor pushing bond yields lower.

Although interest rates remained unchanged throughout 1993 - the prime rate and discount rate started and ended the year at 6 per cent and 3 per cent respectively - the lack of strong economic growth persuaded the Fed to keep policy on hold for the year.

Meanwhile, low short-term rates forced

investors to switch billions of dollars out of bank certificates of deposit and money market funds, which were returning a meagre 2 per cent to 3 per cent, and into assets with higher yields. For conservative investors uncomfortable with the risk inherent in buying equities, bonds became the natural refuge.

Finally, technical considerations played a role in the rally, when the government reduced the number of bond auctions from four to three per year, and increased the size of short- and medium-term debt issues accordingly.

The move was designed to cut the cost of government financing by shortening the maturity of the federal debt. The result was a shortage of 30-year bonds, which served to drive prices higher in an already buoyant market.

However, the rally ran out of steam in mid-October. Within two weeks, the 30-year bond yield had jumped almost 60

basis points to more than 6.5 per cent. Another fortnight later, yields were flirting with 6.4 per cent, and the small of panic was in the air. The spark for the sell-off was provided by stronger-than-expected economic reports.

Although the prices data in the final months of the year did not suggest inflation had revived along with the quickening pace of economic activity, rising prices, and a tightening of monetary policy. This is the gloomy scenario for the bond market.

However, not everyone paints such a bleak picture for next year.

While economic growth is expected to come in at over 4 per cent for the final quarter of 1993, some economists see a slowing down in growth in the first half of 1994 as the tax increases in President Clinton's first budget begin to take

their toll on spending and investment.

The optimists expect inflation to remain subdued because of the structural disinflationary forces in the global economy. And they are confident that the Fed will not overreact to the late-1993 growth surge by pushing interest rates sharply higher in early 1994. The expected replacement in January of Mr Wayne Angell, an important Fed governor and the central bank's leading inflation hawk, with the more accommodating and growth-oriented Ms Alice Rivlin, currently number two at the Office of Management and Budget, lends support to that view.

A quick glance at Wall Street's 1994 bond market forecasts finds that the optimists represent the majority. Consequently, the consensus among analysts is that bond prices will rally early next year, and by enough to push long-term yields down below 6 per cent once more. Further out in 1994, however, growth rates are expected to pick up, which could mean that the first half rally will be short-lived.

PH

WORLD BOND PRICES

BENCHMARK GOVERNMENT BONDS

| Coupon | Rate | Price | Day's Change | Yield | Week ago | Month ago |
|------------------|--------|--------|--------------|-------|----------|-----------|
| Australia | 10.000 | 100.02 | +0.02 | 6.58 | 6.75 | 6.80 |
| Belgium | 9.000 | 100.03 | +0.03 | 6.44 | 6.63 | 6.68 |
| Canada | 12.000 | 100.00 | +0.00 | 6.50 | 6.77 | 6.80 |
| Denmark | 6.000 | 100.03 | +0.03 | 6.40 | 6.18 | 6.24 |
| France | BTAN | 95.00 | +0.50 | 5.07 | 5.05 | 5.08 |
| Germany | CAIT | 100.00 | +0.00 | 5.75 | 5.75 | 5.75 |
| Italy | 6.000 | 100.03 | +0.03 | 6.40 | 6.18 | 6.24 |
| Japan | No 110 | 100.00 | +0.00 | 6.50 | 6.77 | 6.80 |
| Netherlands | No 157 | 100.00 | +0.00 | 6.50 | 6.77 | 6.80 |
| Spain | 6.000 | 100.03 | +0.03 | 6.40 | 6.18 | 6.24 |
| UK Gilt | 9.500 | 100.03 | +0.03 | 6.40 | 6.18 | 6.24 |
| US Treasury | 6.000 | 100.03 | +0.03 | 6.40 | 6.18 | 6.24 |
| EU (French Govt) | 6.000 | 100.03 | +0.03 | 6.40 | 6.18 | 6.24 |

London closing, New York closing Dec 29. 1. Gilt annual yield (including withholding tax at 12.5 per cent payable by non-residents). Source: JPMorgan International

Prices: US, UK in 32nds, others in decimal

BOND FUTURES AND OPTIONS

France

NATIONAL FRENCH BOND FUTURES (MATF)

| Open | Settle | Change | High | Low | Est. vol. | Open Int. |
|------|--------|--------|-------|--------|-----------|-----------|
| Mar | 120.40 | 120.52 | -0.08 | 120.48 | 3,207 | 108,307 |
| Jun | 120.04 | 120.06 | -0.02 | 120.06 | 2,128 | 55,142 |
| Sep | 120.26 | 120.18 | -0.08 | 120.26 | 395 | 36,837 |

LONG TERM FRENCH BOND OPTIONS (MATF)

| Strike | Price | Call | Put | Call | Put |
|--------|-------|------|------|------|------|
| 122 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 120 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 118 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 116 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 114 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 112 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 110 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 108 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 106 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 104 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 102 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 100 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 98 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 96 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 94 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 92 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 90 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 88 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 86 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 84 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 82 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 80 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 78 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 76 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 74 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 72 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 70 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 68 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 66 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 64 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 62 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 60 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 58 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 56 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 54 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 52 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 50 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 48 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 46 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 44 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 42 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 40 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 38 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 36 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 34 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 32 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 30 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 28 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 26 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 24 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 22 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 20 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 18 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 16 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 14 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 12 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 10 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 8 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 6 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 0 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

Est. vol. total, Call 4,946 Put 2,100. Previous day's open Int., Call 220,000 Put 228,123.

Germany

NATIONAL GERMAN BOND FUTURES (MATF)

| Open | Settle | Change | High | Low | Est. vol. | Open Int. |
|------|--------|--------|-------|--------|-----------|-----------|
| Mar | 101.00 | 101.03 | -0.03 | 101.03 | 10,551 | 134,053 |
| Jun | 100.00 | 100.00 | -0.00 | 100.00 | 45 | 11,434 |

LONG TERM GERMAN BOND OPTIONS (MATF)

| Price | Mar | Jun | Mar | Jun |
|-------|------|------|------|------|
| 10000 | 0.99 | 1.28 | 0.46 | 0.88 |
| 10100 | 0.63 | 0.93 | 0.70 | 1.11 |
| 10120 | 0.41 | 0.78 | 0.98 | 1.40 |

Est. vol. total, Calls 2648 Puts 306. Previous day's open int., Calls 162072 Puts 99290



Europe's No.1
in telecommunications has done
all the spadework in eastern Germany.

So it's now fertile ground for your
investment.

It's been a mere three years since the
history-making reunification of Germany.

But the former East Germany is now well on the way to becoming one of the most potentially rewarding regions for international investors.

A compelling argument for this proposition is the ultramodern information and communications infrastructure which Deutsche Telekom has succeeded in creating in such a short time. It will cost a record-breaking investment of more than DM 60 billion, but the eastern part of Germany will soon possess the most advanced and sophisticated telecommunications network in the world. Just as we did in the previous West Germany, Deutsche Telekom is pioneering there the development of the universal ISDN network, international satellite communications, digital mobile systems and fibre optic cable access. In short, the so-called information highways still under leisurely consideration by other countries, are already up and running in the whole of Germany. So for international companies with an eye on a fruitful investment, all the opportunities offered by national and international communications are wide open: from telephone networks and fast data transmission to picture communications and the multimedia applications of tomorrow.

Right at the heart of Europe's biggest marketplace, immediately next-door to the developing markets of eastern Europe – Europe's No.1 telecommunications company has done all the groundwork. So that your investment will fall on really fruitful ground.

Telecommunications made in Germany.

If you would like to know
more about how the very
latest telecommunications
could help promote your
aims in eastern Germany,
please get in touch with us.

Generaldirektion Telekom
Postfach 11 09 03
D-10839 Berlin
Federal Republic
of Germany
Tel.: +49 30 22 85 97 70
Fax: +49 30 22 85 57 20



We tie markets together.

 **Telekom**

「FT ジャパンクラブ ♣ アニュアル・リポート・サービス」



Join the
FT JAPAN CLUB

A great deal for Japanese Companies

クラブ・マークで
インベスター・リレーション活動を

フィナンシャル・タイムズ（以下FT）では、日本企業のインベスター・リレーションの活動を促進するため、FT紙面「World Stock Markets」頁の日本株式市場欄に掲載されている日本企業を対象に、アニュアル・リポート・サービスを実施しております。

「FT ジャパンクラブ」加入に賛同された日本企業には、
 * 同（クラブ・マーク）を記入して、当社との差別化を図り、企業メンバーのアニュアル・リポートを希望するFT紙面に配布する手配を、FTが責任を持って代行します。メンバー企業の特権は以下の通りです。

- * FTはメンバー企業のアニュアル・リポートを希望する人達に24時間以内に届けの手配をする。
- * メンバー企業のアニュアル・リポートに対する現状及び、詳細を定期的に提供する。
- * FTは、メンバー企業全体をリストした告知広告を随時行い、本サービスの効果的な運営を図る。
- * メンバー企業はFTの紙面を使って、会社概要を広告するスペースが与えられる。
- * メンバー企業は、FT日本支社にアニュアル・リポートを提供すれば、FTが全てを代行する。

「FT ジャパンクラブ」加入に関するお問い合わせ、お申し込みは下記まで御連絡下さい。

JOIN THE FT JAPAN CLUB
A Great Deal for Japanese Companies

The FT Japan Club has been set up to promote investor relations. Membership of the club is only open to Japanese companies listed on the World Stock Markets page of the Financial Times. Annual reports of member companies will be sent on request to prospective investors.

Membership will be on a first come, first served basis and, the names of the companies who have joined will be annotated by the ace of ♣ clubs in the column of Japanese stocks.

The range of benefits which make up a winning hand include:

- * FT WILL SEND THE REPORTS WITHIN 24 HOURS TO PEOPLE WHO HAVE REQUESTED A COPY.
- * THE FT WILL SUPPLY THE NAMES OF PEOPLE WHO HAVE ASKED FOR A COPY TO MEMBER COMPANIES.
- * THE FT WILL PROMOTE THE ANNUAL REPORT SERVICE REGULARLY IN THE PAPER.
- * EACH MEMBER COMPANY WILL BE GIVEN A 1/30 PAGE SPACE IN THE FT TO PROMOTE THEIR CORPORATE PROFILE.
- * MEMBER COMPANIES WILL SEND COPIES OF THEIR ANNUAL REPORTS TO FT JAPAN LTD. WHO IN TURN WILL DISPATCH THE REPORTS TO DONORS.

Yoshinobu Miyashiro
 Financial Times (Japan) Ltd.
 Kasahara Building,
 1-6-10 Uchikanda,
 Chiyoda-ku, Tokyo 101, Japan
 TEL: (03) 3295 4050
 FAX: (03) 3295 1264

*For more details including the
membership fee, please
telephone or write to:*

FINANCIAL TIMES
LONDON PARIS FRANKFURT NEW YORK SINGAPORE

Tatsuko Dawes
 Financial Times Ltd.
 Number One Southwark Bridge,
 London SW1 9HL,
 England
 TEL: 071-873 3260
 FAX: 071-873 3595

INVESTMENT TRUSTS - Contd

| | MS | Y ₀ | Y ₁ | Y ₂ |
|-----|-----|----------------|----------------|----------------|
| 207 | 2.7 | 3.0 | 0.7 | 0.7 |
| 210 | 2.7 | 3.0 | 0.7 | 0.7 |
| 212 | 2.8 | 3.1 | 0.7 | 0.7 |
| 215 | 3.1 | 3.4 | 0.7 | 0.7 |
| 218 | 3.1 | 3.4 | 0.7 | 0.7 |
| 220 | 3.1 | 3.4 | 0.7 | 0.7 |
| 222 | 3.1 | 3.4 | 0.7 | 0.7 |
| 225 | 3.1 | 3.4 | 0.7 | 0.7 |
| 228 | 3.1 | 3.4 | 0.7 | 0.7 |
| 230 | 3.1 | 3.4 | 0.7 | 0.7 |
| 232 | 3.1 | 3.4 | 0.7 | 0.7 |
| 235 | 3.1 | 3.4 | 0.7 | 0.7 |
| 238 | 3.1 | 3.4 | 0.7 | 0.7 |
| 240 | 3.1 | 3.4 | 0.7 | 0.7 |
| 242 | 3.1 | 3.4 | 0.7 | 0.7 |
| 245 | 3.1 | 3.4 | 0.7 | 0.7 |
| 248 | 3.1 | 3.4 | 0.7 | 0.7 |
| 250 | 3.1 | 3.4 | 0.7 | 0.7 |
| 252 | 3.1 | 3.4 | 0.7 | 0.7 |
| 255 | 3.1 | 3.4 | 0.7 | 0.7 |
| 258 | 3.1 | 3.4 | 0.7 | 0.7 |
| 260 | 3.1 | 3.4 | 0.7 | 0.7 |
| 262 | 3.1 | 3.4 | 0.7 | 0.7 |
| 265 | 3.1 | 3.4 | 0.7 | 0.7 |
| 268 | 3.1 | 3.4 | 0.7 | 0.7 |
| 270 | 3.1 | 3.4 | 0.7 | 0.7 |
| 272 | 3.1 | 3.4 | 0.7 | 0.7 |
| 275 | 3.1 | 3.4 | 0.7 | 0.7 |
| 278 | 3.1 | 3.4 | 0.7 | 0.7 |
| 280 | 3.1 | 3.4 | 0.7 | 0.7 |
| 282 | 3.1 | 3.4 | 0.7 | 0.7 |
| 285 | 3.1 | 3.4 | 0.7 | 0.7 |
| 288 | 3.1 | 3.4 | 0.7 | 0.7 |
| 290 | 3.1 | 3.4 | 0.7 | 0.7 |
| 292 | 3.1 | 3.4 | 0.7 | 0.7 |
| 295 | 3.1 | 3.4 | 0.7 | 0.7 |
| 298 | 3.1 | 3.4 | 0.7 | 0.7 |
| 300 | 3.1 | 3.4 | 0.7 | 0.7 |
| 302 | 3.1 | 3.4 | 0.7 | 0.7 |
| 305 | 3.1 | 3.4 | 0.7 | 0.7 |
| 308 | 3.1 | 3.4 | 0.7 | 0.7 |
| 310 | 3.1 | 3.4 | 0.7 | 0.7 |
| 312 | 3.1 | 3.4 | 0.7 | 0.7 |
| 315 | 3.1 | 3.4 | 0.7 | 0.7 |
| 318 | 3.1 | 3.4 | 0.7 | 0.7 |
| 320 | 3.1 | 3.4 | 0.7 | 0.7 |
| 322 | 3.1 | 3.4 | 0.7 | 0.7 |
| 325 | 3.1 | 3.4 | 0.7 | 0.7 |
| 328 | 3.1 | 3.4 | 0.7 | 0.7 |
| 330 | 3.1 | 3.4 | 0.7 | 0.7 |
| 332 | 3.1 | 3.4 | 0.7 | 0.7 |
| 335 | 3.1 | 3.4 | 0.7 | 0.7 |
| 338 | 3.1 | 3.4 | 0.7 | 0.7 |
| 340 | 3.1 | 3.4 | 0.7 | 0.7 |
| 342 | 3.1 | 3.4 | 0.7 | 0.7 |
| 345 | 3.1 | 3.4 | 0.7 | 0.7 |
| 348 | 3.1 | 3.4 | 0.7 | 0.7 |
| 350 | 3.1 | 3.4 | 0.7 | 0.7 |
| 352 | 3.1 | 3.4 | 0.7 | 0.7 |
| 355 | 3.1 | 3.4 | 0.7 | 0.7 |
| 358 | 3.1 | 3.4 | 0.7 | 0.7 |
| 360 | 3.1 | 3.4 | 0.7 | 0.7 |
| 362 | 3.1 | 3.4 | 0.7 | 0.7 |
| 365 | 3.1 | 3.4 | 0.7 | 0.7 |
| 368 | 3.1 | 3.4 | 0.7 | 0.7 |
| 370 | 3.1 | 3.4 | 0.7 | 0.7 |
| 372 | 3.1 | 3.4 | 0.7 | 0.7 |
| 375 | 3.1 | 3.4 | 0.7 | 0.7 |
| 378 | 3.1 | 3.4 | 0.7 | 0.7 |
| 380 | 3.1 | 3.4 | 0.7 | 0.7 |
| 382 | 3.1 | 3.4 | 0.7 | 0.7 |
| 385 | 3.1 | 3.4 | 0.7 | 0.7 |
| 388 | 3.1 | 3.4 | 0.7 | 0.7 |
| 390 | 3.1 | 3.4 | 0.7 | 0.7 |
| 392 | 3.1 | 3.4 | 0.7 | 0.7 |
| 395 | 3.1 | 3.4 | 0.7 | 0.7 |
| 398 | 3.1 | 3.4 | 0.7 | 0.7 |
| 400 | 3.1 | 3.4 | 0.7 | 0.7 |
| 402 | 3.1 | 3.4 | 0.7 | 0.7 |
| 405 | 3.1 | 3.4 | 0.7 | 0.7 |
| 408 | 3.1 | 3.4 | 0.7 | 0.7 |
| 410 | 3.1 | 3.4 | 0.7 | 0.7 |
| 412 | 3.1 | 3.4 | 0.7 | 0.7 |
| 415 | 3.1 | 3.4 | 0.7 | 0.7 |
| 418 | 3.1 | 3.4 | 0.7 | 0.7 |
| 420 | 3.1 | 3.4 | 0.7 | 0.7 |
| 422 | 3.1 | 3.4 | 0.7 | 0.7 |
| 425 | 3.1 | 3.4 | 0.7 | 0.7 |

| | | |
|--------------|-----|-----|
| Graphics | 28 | 63 |
| Customer Dev | 135 | 140 |

| | | | |
|---------|-----|-------|------|
| 20 | 6.8 | 85.2 | 14.8 |
| 82 | - | 87.7 | -3.6 |
| 40 | - | - | - |
| 63 | 8.4 | 120.6 | 0.7 |
| 80 | 2.6 | 144.5 | 4.8 |
| 21 1/2 | - | - | - |
| 199 | 8.3 | 128.2 | -3.4 |
| 10 | - | - | - |
| 178 | 0.7 | 274.8 | 3.4 |
| 101 | 1.9 | 125.8 | -4.1 |
| 25 | 3.2 | - | - |
| 18-19 | - | - | - |
| 31 1/2 | - | - | - |
| 73 | 8.3 | 126.5 | 13.8 |
| 188 | - | - | - |
| 71 | 8.3 | 108.8 | 0.8 |
| 20 | - | - | - |
| 124 | 4.6 | 153.2 | 1.5 |
| 77 | - | 120.1 | 18.8 |
| 12 | - | - | - |
| 237 1/2 | 3.7 | - | - |

| | | |
|-------------------------|-----|-----|
| July 1 to June 30, 1993 | 130 | 130 |
| Over Assembly | 130 | 130 |
| Johnson Exp 1993 | 131 | 131 |

| | | | |
|------|------|--------|-------|
| 191 | - | - | - |
| 189 | - | - | - |
| 102% | - | - | - |
| 82 | - | 200.5 | 61.6 |
| 82 | 13.7 | - | - |
| 110 | 63 | - | - |
| 63 | 16.8 | 2.1 | 53.6 |
| 26 | 2.8 | 106.5 | 18.1 |
| 15 | - | - | - |
| 45 | - | - | - |
| 120 | 3.0 | 650.8 | 8.7 |
| 120 | 1.7 | - | 1.7 |
| 226 | 4.3 | 374.3 | 27.7 |
| 94 | - | 726.4 | - |
| 55 | - | - | - |
| 76 | - | 118.5 | - |
| 101 | 6.4 | 119.0 | 8.0 |
| 130% | - | - | - |
| 170 | 1.6 | 286.3 | 0.4 |
| 198 | 8.1 | 140.0 | 0.4 |
| 315 | - | - | - |
| 315 | 0.2 | 482.2 | -29.6 |
| 310 | - | 561.8 | 20.0 |
| 14 | - | - | - |
| 62 | - | - | - |
| 47 | - | - | - |
| 540 | 2.9 | 663.3 | -21.1 |
| 11 | 1.8 | 102.2 | -13.3 |
| 91 | - | 130.7 | 7.0 |
| 103 | - | 92.0 | 7.0 |
| 36 | 13.1 | - | - |
| 56% | - | 119.0 | 84.6 |
| 17 | 3.4 | 85.2 | 30.0 |
| 34 | - | - | - |
| 71 | 4.9 | 100.1 | 51.0 |
| 130 | 0.5 | 203.3 | -2.0 |
| 100 | 6.7 | 203.3 | -4.0 |
| 30 | 24.8 | - | - |
| 166 | - | 3154.6 | 10.0 |
| 32 | - | - | - |

| | | | |
|-----|---------------|---------|----|
| 2.3 | Package Units | 103 1/2 | 13 |
| 2.8 | Ground Water | 103 1/2 | 13 |

| | | | |
|--------|-----|-------|-------|
| 461 | 8.6 | 86.4 | 10 |
| 207 | 27 | 13.6 | - |
| 19 | 45 | 82.8 | 85 |
| 19 | 43 | 7.5 | 83.2 |
| 30 | 36 | 0.1 | 136.4 |
| 106 | 107 | 13.9 | - |
| 946 | 28 | 879.4 | 4 |
| 2 | 2 | 243.3 | 2 |
| 3 | 3 | 3.2 | 148.9 |
| 47 | 67 | 82.4 | 4 |
| 67 | 67 | 0.5 | 120.9 |
| 82 | 82 | 6.1 | 156.5 |
| 163 | 163 | 0.7 | 312.0 |
| 28 | 28 | 3.8 | 158.3 |
| 5 | 5 | 3.8 | 158.3 |
| 221 | 21 | 4.5 | 294.0 |
| 10 | 10 | 7.9 | 75.2 |
| 31 | 31 | 0.9 | 125.4 |
| 154 | 154 | 9.8 | - |
| 10 | 10 | 2.0 | 270.0 |
| 266 | 266 | 2.0 | 425.3 |
| 10 | 10 | 1.8 | 509.4 |
| 14 | 14 | 3.5 | 128.0 |
| 118 | 118 | 4.5 | 132.9 |
| 12 | 12 | 4.5 | 128.0 |
| 163 | 163 | 3.0 | 143.6 |
| 35 | 35 | 2.8 | - |
| 110 | 110 | 1.2 | 256.5 |
| 217.75 | 175 | 0.3 | 62.4 |
| 282 | 282 | 0.5 | 367.8 |
| 282 | 282 | - | - |

| | | | | |
|-----|---|-----|----|----|
| 0.9 | Murray Scott M. <input checked="" type="checkbox"/> | 371 | +2 | 27 |
| | | 403 | +2 | 46 |

| | | | |
|------|----|------|------|
| 20 | 75 | 14.8 | 74.4 |
| 40 | 75 | 14.8 | 74.4 |
| 60 | 75 | 14.8 | 74.4 |
| 80 | 75 | 14.8 | 74.4 |
| 100 | 75 | 14.8 | 74.4 |
| 120 | 75 | 14.8 | 74.4 |
| 140 | 75 | 14.8 | 74.4 |
| 160 | 75 | 14.8 | 74.4 |
| 180 | 75 | 14.8 | 74.4 |
| 200 | 75 | 14.8 | 74.4 |
| 220 | 75 | 14.8 | 74.4 |
| 240 | 75 | 14.8 | 74.4 |
| 260 | 75 | 14.8 | 74.4 |
| 280 | 75 | 14.8 | 74.4 |
| 300 | 75 | 14.8 | 74.4 |
| 320 | 75 | 14.8 | 74.4 |
| 340 | 75 | 14.8 | 74.4 |
| 360 | 75 | 14.8 | 74.4 |
| 380 | 75 | 14.8 | 74.4 |
| 400 | 75 | 14.8 | 74.4 |
| 420 | 75 | 14.8 | 74.4 |
| 440 | 75 | 14.8 | 74.4 |
| 460 | 75 | 14.8 | 74.4 |
| 480 | 75 | 14.8 | 74.4 |
| 500 | 75 | 14.8 | 74.4 |
| 520 | 75 | 14.8 | 74.4 |
| 540 | 75 | 14.8 | 74.4 |
| 560 | 75 | 14.8 | 74.4 |
| 580 | 75 | 14.8 | 74.4 |
| 600 | 75 | 14.8 | 74.4 |
| 620 | 75 | 14.8 | 74.4 |
| 640 | 75 | 14.8 | 74.4 |
| 660 | 75 | 14.8 | 74.4 |
| 680 | 75 | 14.8 | 74.4 |
| 700 | 75 | 14.8 | 74.4 |
| 720 | 75 | 14.8 | 74.4 |
| 740 | 75 | 14.8 | 74.4 |
| 760 | 75 | 14.8 | 74.4 |
| 780 | 75 | 14.8 | 74.4 |
| 800 | 75 | 14.8 | 74.4 |
| 820 | 75 | 14.8 | 74.4 |
| 840 | 75 | 14.8 | 74.4 |
| 860 | 75 | 14.8 | 74.4 |
| 880 | 75 | 14.8 | 74.4 |
| 900 | 75 | 14.8 | 74.4 |
| 920 | 75 | 14.8 | 74.4 |
| 940 | 75 | 14.8 | 74.4 |
| 960 | 75 | 14.8 | 74.4 |
| 980 | 75 | 14.8 | 74.4 |
| 1000 | 75 | 14.8 | 74.4 |

| | | | | |
|-----|---------------|-----|----|-----|
| 1.8 | Warrants | 23 | 11 | 197 |
| 1.9 | Op. Stock Pkt | 100 | 15 | 100 |

| | | | | |
|-----|------|------|---------|----|
| 42 | 65 | 3.5 | 139.4 | - |
| 45 | 22 | - | - | - |
| 10 | 96 | 10.0 | - | - |
| 99 | 28 | - | 181.8 | 48 |
| 9 | 1 | - | - | - |
| 34 | 77.4 | - | - | - |
| 90 | 214 | 2.3 | 216.0 | 1 |
| 58 | 123 | 12.8 | - | - |
| 51 | 76 | - | 348.3 | 42 |
| 37 | 131 | - | - | - |
| 070 | 175 | 21.1 | - | - |
| 86 | 820 | - | -1444.9 | 16 |
| 60 | 481 | 0.1 | - | - |
| 121 | 180 | - | - | - |
| 78 | 102 | 5.8 | - | - |
| 21 | 18 | - | - | - |
| 113 | 99 | - | - | - |

هكذا من الاول

MINES - Cont.

FT Free Annual Reports Service
You can obtain the current annual/interim report of any company annotated with a * from 081 770 0770 (open 24 hours including weekends) or fax 061 770 3822, quoting the code FT9833. If calling from outside UK, dial +44 81 770 0770 or toll +44 81 770 3822. Reports are sent out next working day subject to availability. If typing please remember to state the weekly changing FT code above and also your post code.

FT Cityline
Up-to-the-second share prices are available by telephone from the FT Cityline service. See Monday's service pages for details.
The Cityline service is available for callers outside the UK, annual subscription £250 exp. for more information call 071 873 4878 / +44 71 873 4878. Internationally for call information on FT Cityline.

High Tech Talent Management: A Global Challenge

[illegible]

هكذا من الاعمال

● FT Cityline Unit Trust Prices are available over the telephone. Call the FT Cityline Help Desk on (971) 873-4378 for more details.

| | | | |
|---|----------------------|-------|-------|
| For Profile Like 4 Pages and Scripted Promotional | Video File | 405.0 | 810.0 |
| | Global Inc. & Geniv. | 187.0 | 181.4 |
| | Pacific Northwest | 302.5 | 423.7 |

● FT Cityline Unit Trust Prices are available over the telephone. Call the FT Cityline Help Desk on (971) 873-4378 for more details.

[illegible]

٥

٦

٧

٨

٩

١٠

١١

١٢

١٣

١٤

١٥

١٦

١٧

١٨

١٩

٢٠

٢١

٢٢

٢٣

٢٤

٢٥

٢٦

٢٧

٢٨

٢٩

٣٠

٣١

٣٢

٣٣

٣٤

٣٥

٣٦

٣٧

٣٨

٣٩

٤٠

٤١

٤٢

٤٣

٤٤

٤٥

٤٦

٤٧

٤٨

٤٩

٥٠

٥١

٥٢

٥٣

٥٤

٥٥

٥٦

٥٧

٥٨

٥٩

٦٠

٦١

٦٢

٦٣

٦٤

٦٥

٦٦

٦٧

٦٨

٦٩

٧٠

٧١

٧٢

٧٣

٧٤

٧٥

٧٦

٧٧

٧٨

٧٩

٨٠

٨١

٨٢

٨٣

٨٤

٨٥

٨٦

٨٧

٨٨

٨٩

٩٠

٩١

٩٢

٩٣

٩٤

٩٥

٩٦

٩٧

٩٨

٩٩

١٠٠

١٠١

١٠٢

١٠٣

١٠٤

١٠٥

١٠٦

١٠٧

١٠٨

١٠٩

١١٠

١١١

١١٢

١١٣

١١٤

١١٥

١١٦

١١٧

١١٨

١١٩

١٢٠

١٢١

١٢٢

١٢٣

١٢٤

١٢٥

١٢٦

١٢٧

١٢٨

١٢٩

١٣٠

١٣١

١٣٢

١٣٣

١٣٤

١٣٥

١٣٦

١٣٧

١٣٨

١٣٩

١٤٠

١٤١

١٤٢

١٤٣

١٤٤

١٤٥

١٤٦

١٤٧

١٤٨

١٤٩

١٥٠

١٥١

١٥٢

١٥٣

١٥٤

١٥٥

١٥٦

١٥٧

١٥٨

١٥٩

١٦٠

١٦١

١٦٢

١٦٣

١٦٤

١٦٥

١٦٦

١٦٧

١٦٨

١٦٩

١٧٠

١٧١

١٧٢

١٧٣

١٧٤

١٧٥

١٧٦

١٧٧

١٧٨

١٧٩

١٨٠

١٨١

١٨٢

١٨٣

١٨٤

١٨٥

١٨٦

١٨٧

١٨٨

١٨٩

١٩٠

١٩١

١٩٢

١٩٣

١٩٤

١٩٥

١٩٦

١٩٧

١٩٨

١٩٩

٢٠٠

٢٠١

٢٠٢

٢٠٣

٢٠٤

٢٠٥

٢٠٦

٢٠٧

٢٠٨

٢٠٩

٢١٠

٢١١

٢١٢

٢١٣

٢١٤

٢١٥

٢١٦

٢١٧

٢١٨

٢١٩

٢٢٠

٢٢١

٢٢٢

٢٢٣

٢٢٤

٢٢٥

٢٢٦

٢٢٧

٢٢٨

٢٢٩

٢٣٠

٢٣١

٢٣٢

٢٣٣

٢٣٤

٢٣٥

٢٣٦

٢٣٧

٢٣٨

٢٣٩

٢٤٠

٢٤١

٢٤٢

٢٤٣

٢٤٤

٢٤٥

٢٤٦

٢٤٧

٢٤٨

٢٤٩

٢٥٠

٢٥١

٢٥٢

٢٥٣

٢٥٤

٢٥٥

٢٥٦

٢٥٧

٢٥٨

٢٥٩

٢٦٠

٢٦١

٢٦٢

٢٦٣

٢٦٤

٢٦٥

٢٦٦

٢٦٧

٢٦٨

٢٦٩

٢٧٠

٢٧١

٢٧٢

٢٧٣

٢٧٤

٢٧٥

٢٧٦

٢٧٧

٢٧٨

٢٧٩

٢٨٠

٢٨١

٢٨٢

٢٨٣

٢٨٤

٢٨٥

٢٨٦

٢٨٧

٢٨٨

٢٨٩

٢٩٠

٢٩١

٢٩٢

٢٩٣

٢٩٤

٢٩٥

٢٩٦

٢٩٧

٢٩٨

٢٩٩

٣٠٠

٣٠١

٣٠٢

٣٠٣

٣٠٤

٣٠٥

٣٠٦

٣٠٧

٣٠٨

٣٠٩

٣١٠

٣١١

٣١٢

٣١٣

٣١٤

٣١٥

٣١٦

٣١٧

٣١٨

٣١٩

٣٢٠

٣٢١

٣٢٢

٣٢٣

٣٢٤

٣٢٥

٣٢٦

٣٢٧

٣٢٨

٣٢٩

٣٣٠

٣٣١

٣٣٢

٣٣٣

٣٣٤

٣٣٥

٣٣٦

٣٣٧

٣٣٨

٣٣٩

٣٤٠

٣٤١

٣٤٢

٣٤٣

٣٤٤

٣٤٥

٣٤٦

٣٤٧

٣٤٨

٣٤٩

٣٥٠

٣٥١

٣٥٢

٣٥٣

٣٥٤

٣٥٥

٣٥٦

٣٥٧

٣٥٨

٣٥٩

٣٦٠

٣٦١

٣٦٢

٣٦٣

٣٦٤

٣٦٥

٣٦٦

٣٦٧

٣٦٨

٣٦٩

٣٧٠

٣٧١

٣٧٢

٣٧٣

٣٧٤

٣٧٥

٣٧٦

٣٧٧

٣٧٨

٣٧٩

٣٨٠

٣٨١

٣٨٢

٣٨٣

٣٨٤

٣٨٥

٣٨٦

٣٨٧

٣٨٨

٣٨٩

٣٩٠

٣٩١

٣٩٢

٣٩٣

٣٩٤

٣٩

● FT Cityline Unit Trust Prices are available over the telephone. Call the FT Cityline Help Desk on (877) 873-6378 for more details.

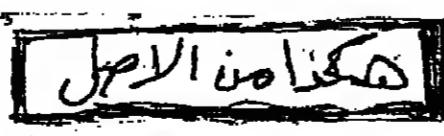
[illegible]

WORLD STOCK MARKETS

| EUROPE | | | | | | | | | |
|--------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Austria (Dec 28/93) | | | | | | | | | |
| ATX | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| ATX | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| Belgium (Dec 28/93) | | | | | | | | | |
| BESE | 3,500.00 | 3,480.00 | 3,520.00 | 3,460.00 | 3,540.00 | 3,440.00 | 3,560.00 | 3,420.00 | 3,580.00 |
| BESE | 3,500.00 | 3,480.00 | 3,520.00 | 3,460.00 | 3,540.00 | 3,440.00 | 3,560.00 | 3,420.00 | 3,580.00 |
| Denmark (Dec 28/93) | | | | | | | | | |
| OMXC20 | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| OMXC20 | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| France (Dec 28/93) | | | | | | | | | |
| CAC40 | 3,500.00 | 3,480.00 | 3,520.00 | 3,460.00 | 3,540.00 | 3,440.00 | 3,560.00 | 3,420.00 | 3,580.00 |
| CAC40 | 3,500.00 | 3,480.00 | 3,520.00 | 3,460.00 | 3,540.00 | 3,440.00 | 3,560.00 | 3,420.00 | 3,580.00 |
| Germany (Dec 28/93) | | | | | | | | | |
| DAX | 3,500.00 | 3,480.00 | 3,520.00 | 3,460.00 | 3,540.00 | 3,440.00 | 3,560.00 | 3,420.00 | 3,580.00 |
| DAX | 3,500.00 | 3,480.00 | 3,520.00 | 3,460.00 | 3,540.00 | 3,440.00 | 3,560.00 | 3,420.00 | 3,580.00 |
| Greece (Dec 28/93) | | | | | | | | | |
| ATHEX | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| ATHEX | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| Ireland (Dec 28/93) | | | | | | | | | |
| ISEQ | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| ISEQ | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| Italy (Dec 28/93) | | | | | | | | | |
| FTSEM | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| FTSEM | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| Japan (Dec 28/93) | | | | | | | | | |
| Nikkei | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| Nikkei | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| Korea (Dec 28/93) | | | | | | | | | |
| KOSPI | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| KOSPI | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| Netherlands (Dec 28/93) | | | | | | | | | |
| AEX | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| AEX | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| Norway (Dec 28/93) | | | | | | | | | |
| OSLO | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| OSLO | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| Portugal (Dec 28/93) | | | | | | | | | |
| BVLX | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| BVLX | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| Spain (Dec 28/93) | | | | | | | | | |
| IBEX | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| IBEX | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| Sweden (Dec 28/93) | | | | | | | | | |
| OMXC20 | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| OMXC20 | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| Switzerland (Dec 28/93) | | | | | | | | | |
| SIX | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| SIX | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| UK (Dec 28/93) | | | | | | | | | |
| FTSE100 | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| FTSE100 | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| USA (Dec 28/93) | | | | | | | | | |
| DOW | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| DOW | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| Hong Kong (Dec 28/93) | | | | | | | | | |
| HSE | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| HSE | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| Singapore (Dec 28/93) | | | | | | | | | |
| SEI | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| SEI | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| Malaysia (Dec 28/93) | | | | | | | | | |
| KLSE | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| KLSE | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| Africa (Dec 28/93) | | | | | | | | | |
| JOSE | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| JOSE | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| South Africa (Dec 28/93) | | | | | | | | | |
| JOSE | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| JOSE | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| Australia (Dec 28/93) | | | | | | | | | |
| ASX | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| ASX | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| New Zealand (Dec 28/93) | | | | | | | | | |
| SEI | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| SEI | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |

| INDICES | | | | | | | | | |
|----------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Dec 28/93 | | | | | | | | | |
| Argentina (28/12/93) | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| Argentina (28/12/93) | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| Brazil (28/12/93) | | | | | | | | | |
| BVLX | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| BVLX | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| Canada (28/12/93) | | | | | | | | | |
| TSX | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| TSX | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| China (28/12/93) | | | | | | | | | |
| SHSE | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| SHSE | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| India (28/12/93) | | | | | | | | | |
| BSE | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| BSE | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| Indonesia (28/12/93) | | | | | | | | | |
| KLSE | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| KLSE | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| Israel (28/12/93) | | | | | | | | | |
| TLX | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| TLX | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| Japan (28/12/93) | | | | | | | | | |
| Nikkei | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1,220.00 |
| Nikkei | 1,200.00 | 1,195.00 | 1,205.00 | 1,190.00 | 1,210.00 | 1,185.00 | 1,215.00 | 1,180.00 | 1, |

Continued on next page



| Stock | Pf | Y | 10% | High | Low | Last | Chng |
|----------|------|----|-----|------|-----|------|------|
| ABC Inds | 0.25 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | 10% | +1/2 |
| ACC Corp | 0.18 | 15 | 150 | 110 | 10 | | |

4 pm close December 2

[illegible]

AMERICA

Dow remains close to high for the year

Wall Street

Although US stock markets saw early selling yesterday morning, the losses were relatively limited and share prices remained close to the record highs set on Monday, writes Patrick Harrington in New York.

By 1pm the Dow Jones Industrial Average was down 0.56 at 3,792.37. The more broadly-based Standard & Poor's 500 was also little changed at 470.79, while the American Stock Exchange composite index was 1.39 higher at 488.55 and the Nasdaq composite up 1.56 at 782.82. Trading volume on the NYSE was 120m shares by 1pm.

Sentiment remained positive as investors headed into the new year in an upbeat mood. Trading, however, was subdued because many investors were away for an extended holiday. Yesterday's early selling was to be expected, given the extent of the market's gains the previous day.

On Monday, the Dow jumped 35.21 to a record high of 3,792.37, while the S & P 500 put on a 3.16 at 470.79, also a record high. The Amex composite index rose 1.34 to 488.55 and the Nasdaq composite added 2.36 to end at 782.82. Trading volume on Monday was 171m shares.

US share prices have been pushing ahead to new peaks because of several factors. They include fresh evidence of the strengthening economy; strong overseas earnings and signs that the Federal Reserve is not yet ready to raise interest rates to slow down economic growth and restrain inflation.

Yesterday, investors received good news from the Conference Board, which reported that its closely-followed index of consumer confidence jumped to 30.3 in December, up from 29.1 in November. Sentiment was also buoyed by fresh declines in commodity prices, including oil.

Among individual stocks, semiconductor issues were in demand on the news that the Clinton administration had called for emergency talks on semiconductor trade with Japan in the wake of figures showing a decline in foreign companies' share of the Japanese semiconductor market. Motorola rose 1 1/4 to \$92 1/4, Texas Instruments 1 1/4 to \$63 1/4, and Intel, which is traded on the Nasdaq market, added 5 1/4 to \$64 1/4.

Various cyclical stocks succumbed to profit-taking from the start. Caterpillar slipped 3/4 to \$98 1/4, International Paper fell 3/4 to \$67 1/4, and Union Carbide added 1/4 to \$22 1/4.

Auto stocks, however, remained in good demand as investors bet that sales of new cars and trucks would stay healthy throughout early 1994. Chrysler rose 1/4 to \$54 1/4, Ford put on 3/4 to \$55 1/4 and General Motors added 1/4 to \$56 1/4.

On the Nasdaq market, QVC Network fell 1 1/4 to \$37 1/4 amid reports that it is in talks with its \$100m bid for Paramount Communications. It will be forced to take billions of dollars in goodwill charges for the next 20 to 40 years.

Canada

Toronto firmed in thin midday dealings as the market continued to catch up with New York's solid Monday performance. The rise was broadly based with all 14 of the TSX's sub-indices gaining ground, led by financial services, base metals and energy shares.

The TSX 300 composite index jumped 36.09 to 2,822.48 in trade of a scant 22.69m shares.

SOUTH AFRICA

Strong demand for second-tier industrial stocks helped the market ahead although a firmer financial rand and light 30.3 in December, up from 29.1 in November. Sentiment was also buoyed by fresh declines in commodity prices, including oil.

ASIA PACIFIC

Hong Kong surges 4.8% in record setting region

Roundup

Pacific Rim markets remained in buoyant mood after Monday's sparkling performances which brought records in Bangkok, Jakarta, Kuala Lumpur, Manila, Singapore, and Taiwan. A further clutch of records were set yesterday as bull runs were extended in some markets and others returned after an extended weekend holiday, determined to catch up. Australia and New Zealand were closed.

HONG KONG surged 4.3 per cent to a record close, the Hang Seng index making its biggest one-day jump ever as foreign funds poured into the market after the holiday.

The index finished 530.38 higher at 11,570.22. The previous largest single day rise was the 394.40 advance seen on December 16. Preliminary turnover was a robust HK\$9.5bn against the final HK\$4.75bn for Friday's half-day session.

Gains were across the board but property counters led on hopes of strong profits due to a relaxation of building controls in the Kowloon district and record land prices.

SINGAPORE's bull run continued, pushing the Straits Times Industrial Index to up 13.94 to a new closing high of 2,392.57, in spite of profit-taking after Monday's trade, which also set a record.

Friday's losses were erased when selling was well absorbed by investors still hopeful of making gains ahead of the new year, brokers said.

BANGKOK extended its record breaking rally in very heavy turnover, closing sharply higher for the sixth straight session. The SET index added 44.37 or 2.8 per cent to 1,652.69, taking the cumulative advance to 10.4 per cent over the past week.

KARACHI broke into record territory at the close amid some optimism on strong buying from overseas. The KSE 100-share price index rose 33.85 to 2,100.60.

TAIWAN closed at a 29-month high as financials surged, although most other sectors fell on profit-taking after the recent bull run. The weighted index, which rose 85 points at one stage, finished 10.07 higher at 5,501.76, in heavy turnover of 1,986.20m.

KUALA LUMPUR closed higher but off the day's best after late profit-taking trimmed a strong early advance. Active institutional and foreign buying pushed the composite index to a record intra-day high of 1,235.25 before closing at 1,233.05, up 17.77.

MANILA took a rollercoaster ride, with prices surging at the opening and falling sharply on profit-taking before bouncing back at the close. The composite index fell 4.37 from Monday's record, to 3,165.65.

SEATTLE ended easier on the last day of 1993 trading after heavy selling by the Korea Securities Market Stabilisation Fund in an attempt to cool the market. The composite index fell 7.70 to 806.19.

Tokyo

After an aggregate loss of 3.6 per cent on Friday and Monday, Japanese equities recovered half of those losses yesterday, writes Wayne Lionei in Tokyo.

The Nikkei 225 index rose 311.23 to 17,181.21 in light trading, but on a steady buying from investment trusts and bargain hunters. On Monday, the 225-average declined by 321.23 to 16,819.88, after shedding 304.68 to 17,141.11 on Friday; it fluctuated between 16,553.99 and 17,147.61 yesterday.

The Topix Index of all first section issues ended 19.81, or 1.4 per cent higher at 1,427.19. Turnover was estimated at 200m shares compared with 190m on Monday and 200m on Friday. Advances led declines by 658 to 292 with 172 unchanged.

Japanese brokers said that market sentiment remains bearish in spite of the session's gains, due to uncertainty about the timing of an economic stimulus package and any political reform by the administration of Mr Morihiro Hosokawa, the prime minister. Government officials agreed that an income tax cut is of primary importance, but the announcement was already factored into the market.

According to Mr Yuichi Matsushita, senior market strategist at Nikko Securities, hopes of an year-end rally during the next two trading sessions are likely to be disappointed. Investors are now cautious about the first quarter of 1994, in the absence of any fresh incentives - and with the weakness in the overall economy illustrated by the recent 6.9 per cent year-to-year decline in the nation's retail sales for a 18th consecutive monthly drop.

Chart analysts expect the Nikkei average to above last year's close of 16,924.96, but to stay within a narrow range between 17,000 to 17,300 with foreign investors on holiday and most domestic market participants on the sidelines.

Small-cap buys from investment trusts lifted major steel makers. Nippon Steel gained 10 at ¥300, Kawasaki Steel ¥8 at ¥280, NKK ¥7 at ¥237 and Sumitomo Metal Industries ¥10 at ¥280. The heavy electronic sector benefited from the day's rally. Toshiba advanced ¥18 at ¥855, while Hitachi moved ¥17 higher at ¥810.

Profit-taking cut the gains of Mazda Motors. Investors dumped shares after buying on Monday, on the news that the Japanese carmaker and the US-based Ford Motor will strengthen their ties. Mazda fell ¥15 to ¥368.

In Osaka, the OSE average ended 280.05 higher at 18,964.39, in volume of 31m shares.

EUROPE

Bourses take profits in post-holiday consolidation

After a level day on Friday and a lot of excitement on Monday as the year-end rally appeared to resume, bourses fell on a round of profit-taking, writes Our Markets Staff.

FRANKFURT'S DAX index hit an high of 3,553.99 on Monday, up 31.34, before a 2.39% early yesterday and closed 11.16 lower at 2,422.83, nearly a percentage point higher than when the holiday began.

Turnover rose from DM8.95bn to DM10.45bn. One consistent feature of both days was the recovery to Metallgesellschaft, up DM11.30 on Monday, after a 10% drop on Friday. DM291 yesterday for a two-day gain of 11.5 per cent on hopes that its new chairman, Mr Kajo Neukirchen, will be able to restructure it effectively.

Sectors which saw continued gains included chemicals where BASF, up DMI to DM301.80, and Hoechst, DMI 70 better at DM316.50, both hit new 1993 highs; and consumer goods, where BMW and Daimler rose DMI to DM71.7, and DM2 to DM822.50. BMW said yesterday that it would make a profit in 1993, and all four posted gains of more than 2 per cent on Monday.

PARIS fell back, consolidating after setting its third consecutive high on Monday. The CAC-40 index ended 11.91 lower at 2,464.54 in turnover of FF4.9bn.

Insurers, actually or relatively weak on Monday, suffered further from fears of the impact on their results of severe flooding in northern and eastern France. UAP lost FF16 at FF460. AGF fell FF16 at FF460 and GAN FF19 at FF493.

Disney dropped another FF1.35 to FF729.05 after losing FF2.80 on Monday, for a two-day drop of 12.5 per cent. Monday's slide reflected a report that banks were being offered 55 per cent of face value for Euro Disney debt. Yesterday, it was confirmed that minority shareholders had asked the French bank to look into changes in the company's accounting methods.

MADRID lost Monday's gains and more, the general index closing 4.37 lower at 319.34. Banks were especially weak, with attention fixed on Banesto, suspended by the National Securities Market Commission at lunchtime, having lost Ptas40 per cent to Ptas195 amid rumours that the Bank of Spain was looking into its accounts. The central bank's move to replace the board with a provisional administration, came after the market had closed.

FT-SE Actuaries Share Index

| Dec 24 | Dec 23 | Dec 22 | Dec 21 | Dec 20 | Dec 19 | Dec 18 | Dec 17 |
|---------------------|---------|---------|---------|---------|---------|---------|---------|
| FT-SE Actuaries 100 | 1459.44 | 1458.10 | 1458.00 | 1458.00 | 1458.00 | 1458.00 | 1458.00 |
| FT-SE Actuaries 200 | 1521.21 | 1522.22 | 1521.00 | 1521.00 | 1521.00 | 1521.00 | 1521.00 |

The market balanced anxiety over potential delays to calling the general election against hopes of lower interest rates in coming weeks and the usual new year influx of retail demand. Montedison saw speculative interest from traders seeking to cash in on intra-day fluctuations, closing L16.40 lower at L882.80, after a day's high of L907.00.

Banks found renewed demand: BCI added 1.55 to L5,236 in volume of 3.5m shares while Credito Italiano rose L19 to L2,286 in 6.7m.

AMSTERDAM was lower as option-related business and selling by several German investment funds pulled prices back from Monday's record highs. The CBS Tendency index shed 1.70 to 148.10.

Publishers, recently outperformers, were hit hardest. Wolters Kluwer sagged FL4.00 to FL124.50 in fair volume as CUN Oyens & Van Regen downgraded shares from a buy to a hold. VNU shed FL1.80 to FL173.50 and Elsevier lost

FL12.70 to FL182.30. ABN-Amro eased 20 cents to FL70.70 amid market rumours that a US tovestor was about to sell 2m of the bank's shares.

COPENHAGEN's KFX index added 1.34 or 1.8 per cent to 106.55, as strong demand emerged in a market with a dearth of sellers. Novo Nordisk put on DKR12 to DKR62, with Sophus Berendsen B DKR10 up at DKR54.

ATHENS jumped in heavy, across-the-board trading as continued strength in building stocks led shares higher. The general index closed 2.17 or 2.2 per cent higher 535.17 in turnover of about D7.2bn, almost twice last week's daily average.

BRUSSELS, closed on Monday, caught up with the Bel-20 index closing 11.13 higher at a new high of 1,473.53, in turnover of BFr1.66bn after Belgium a cut its central bank rate by 15 basis points to 7.25 per cent.

Written and edited by William Cochrane and Michael Morgan.

FT-ACTUARIES WORLD INDICES

| NATIONAL AND REGIONAL MARKETS | | | | | | | | | | | | | | | | | | | | | | | | | DOLLAR INDEX | | | | |
|--|-----------------|--------------|----------------------|-----------|----------|----------------------|--------------------|------------------|-----------------|--------------|----------------------|-----------|----------|----------------------|--------------------|------------------|-----------------|--------------|----------------------|-----------|----------|----------------------|--------------------|------------------|--------------|--------|--------|--------|----------|
| Jointly compiled by The Financial Times Ltd., Goldman, Sachs & Co. and NatWest Securities Ltd. in conjunction with the Institute of Actuaries and the Faculty of Actuaries | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Figures in parentheses show number of lines of stock | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | US Dollar Index | Day's Change | Round Sterling Index | Yen Index | DM Index | Local Currency Index | Local % chg on day | Gross Div. Yield | US Dollar Index | Day's Change | Round Sterling Index | Yen Index | DM Index | Local Currency Index | Local % chg on day | Gross Div. Yield | US Dollar Index | Day's Change | Round Sterling Index | Yen Index | DM Index | Local Currency Index | Local % chg on day | Gross Div. Yield | | | | | |
| FRIDAY DECEMBER 24 1983 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Australia (159) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| Austria (17) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| Belgium (42) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| Canada (107) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| Denmark (32) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| Finland (29) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| France (59) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| Germany (60) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| Hong Kong (55) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| Ireland (14) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| Italy (89) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| Japan (49) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| Malaysia (69) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| Mexico (19) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| Netherlands (23) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| New Zealand (14) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| Norway (23) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| Sweden (36) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| South Africa (60) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| Spain (42) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| Switzerland (43) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| United Kingdom (119) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| USA (515) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| THURSDAY DECEMBER 23 1983 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Australia (159) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| Austria (17) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| Belgium (42) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| Canada (107) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| Denmark (32) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| Finland (29) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| France (59) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| Germany (60) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| Hong Kong (55) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| Ireland (14) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| Italy (89) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| Japan (49) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| Malaysia (69) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| Mexico (19) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| Netherlands (23) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| New Zealand (14) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| Norway (23) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| Sweden (36) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| South Africa (60) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| Spain (42) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| Switzerland (43) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| United Kingdom (119) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| USA (515) | 100.01 | +1.1 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | 112.17 | 141.01 | 156.87 | +1.0 | 3.28 | 100.01 | 157.94 | | | | | |
| The World Index (12,105) | | | | | | | | | | | | | | | | | | | | | | | | | +1.1 | 157.94 | 112.17 | 141.01 | 156.87</ |